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RICHARD J. DENNIS, JR.

RICHARD L. CASEY, SR. (1854-1925)
RICHARD L. CASEY, JR. (1895-1985)

APPRAISAL REPORT

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✓

CUSTOM HOUSE TOWER
BOSTON, MASSACHUSETTS

AS OF
JULY 23, 1986



PREPARED FOR
BOSTON REDEVELOPMENT AUTHORITY

PREPARED BY
RICHARD J. DENNIS, SR., SRPA, MRA

OUR FILE No. 86-100



*NOT AVAILABLE FOR FEE ASSIGNMENT





CUSTOM HOUSE BOSTON MA.

No. 113 JUNE 6 1986

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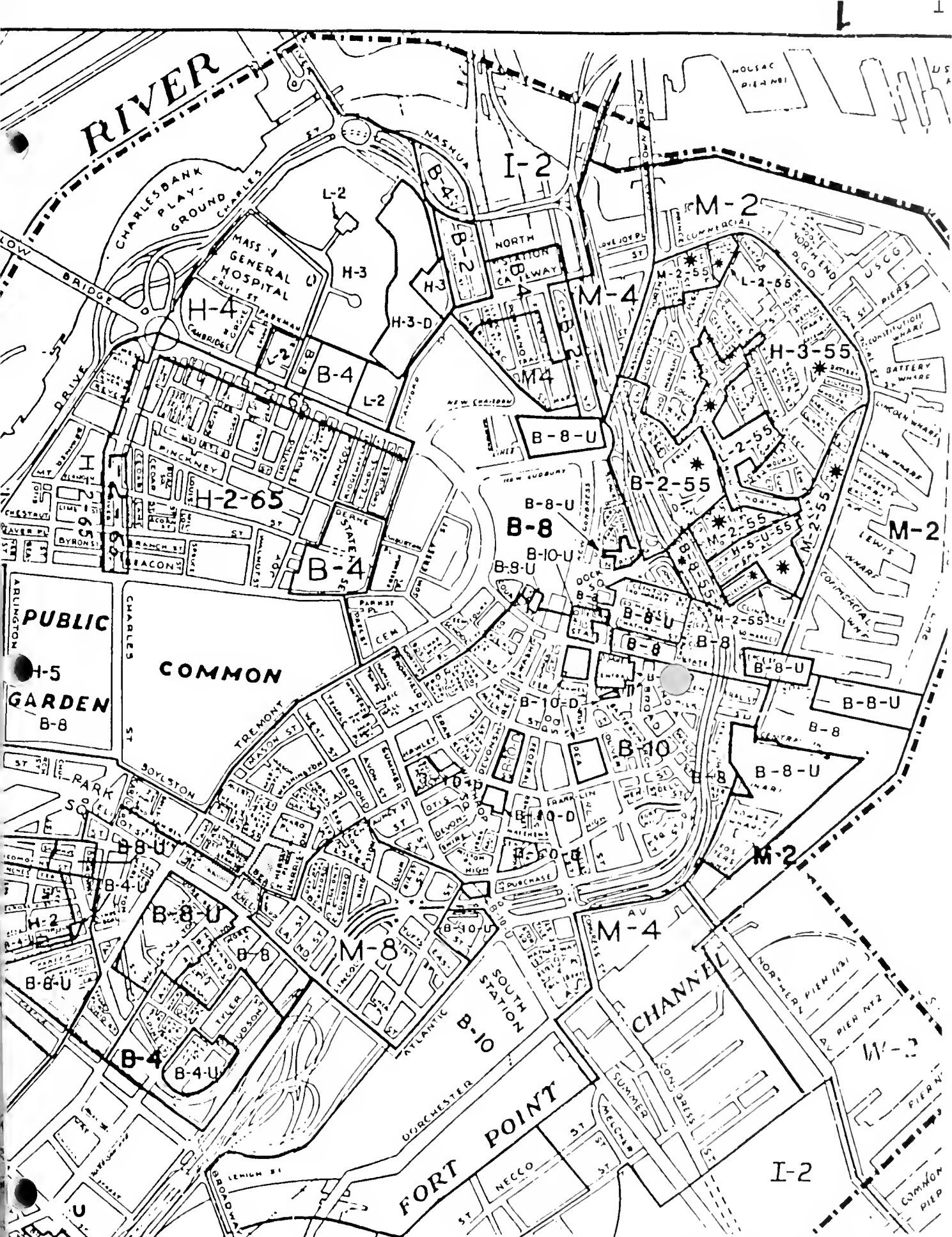
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- SECRETARY OF INTERIOR
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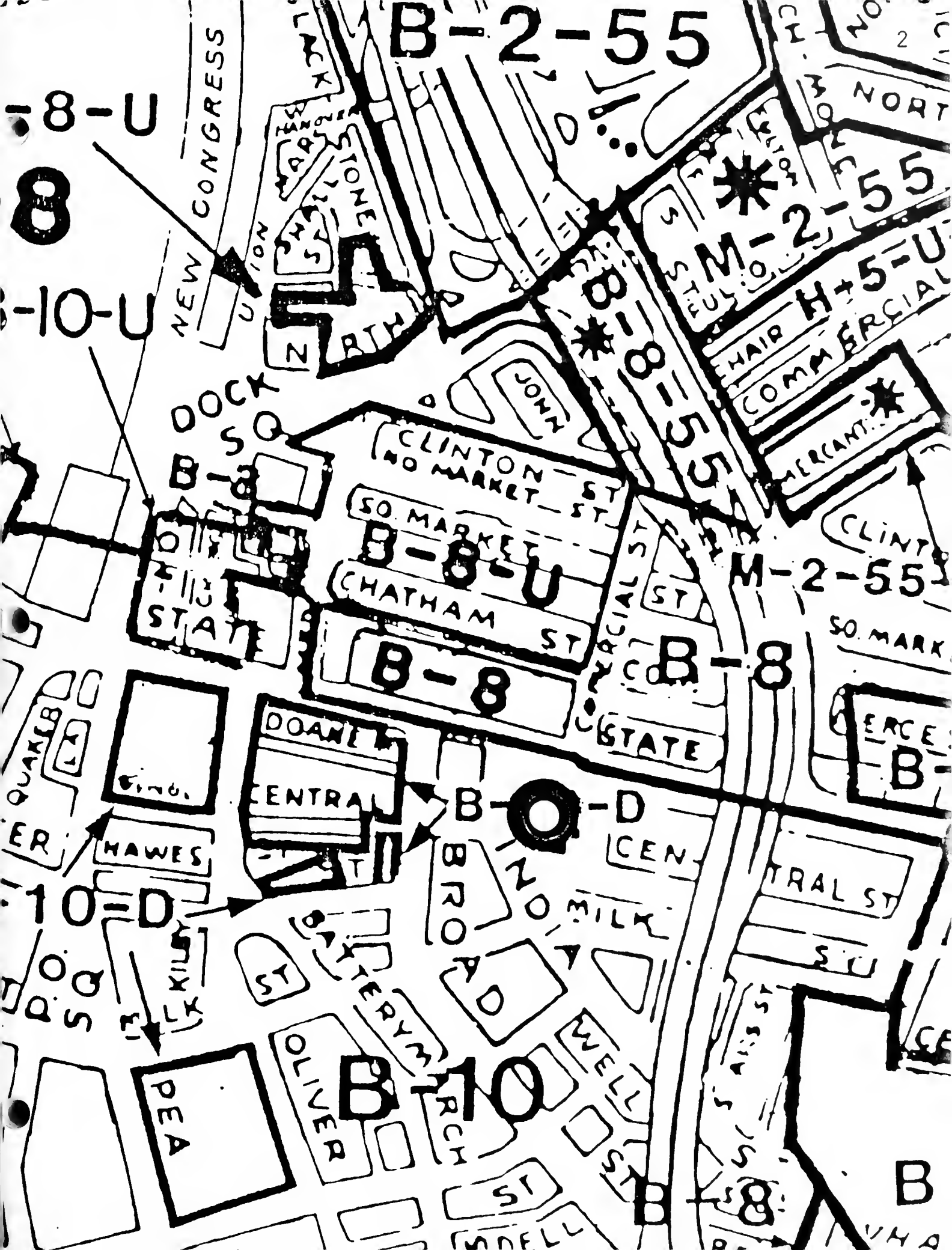
BOSTON REDEVELOPMENT MEMORANDUM

- MODIFICATION OF DOWNTOWN/WATERFRONT
URBAN RENEWAL PLAN
- PETITION FOR "U" DISTRICT FOR
CUSTOM HOUSE, BLOCK 206-1



ZONING DISTRICTS - CITY OF BOSTON
MAP 1 BOSTON PROPER

RESIDENCE DISTRICTS	BUSINESS DISTRICTS	INDUSTRIAL DISTRICTS
H-2	B-4	I-2
B-8	B-8	
B-10	B-10	
M-2	M-2	
M-4	M-4	
M-8	M-8	



B-2-55

8
-8-U

-10-U

NEW CONGRESS

DOCK

STATE

CLINTON
NO MARKET

SO. MARKET

CHATHAM

B-8

B-8-U

STATE

M-2-55

H-5-U

M-2-55

SO. MARK

B-8

TRAL ST

ST

B

QUAKER
ER

HAWES

-10-D

ST

PEA

DOANE
CENTRAL

B-10

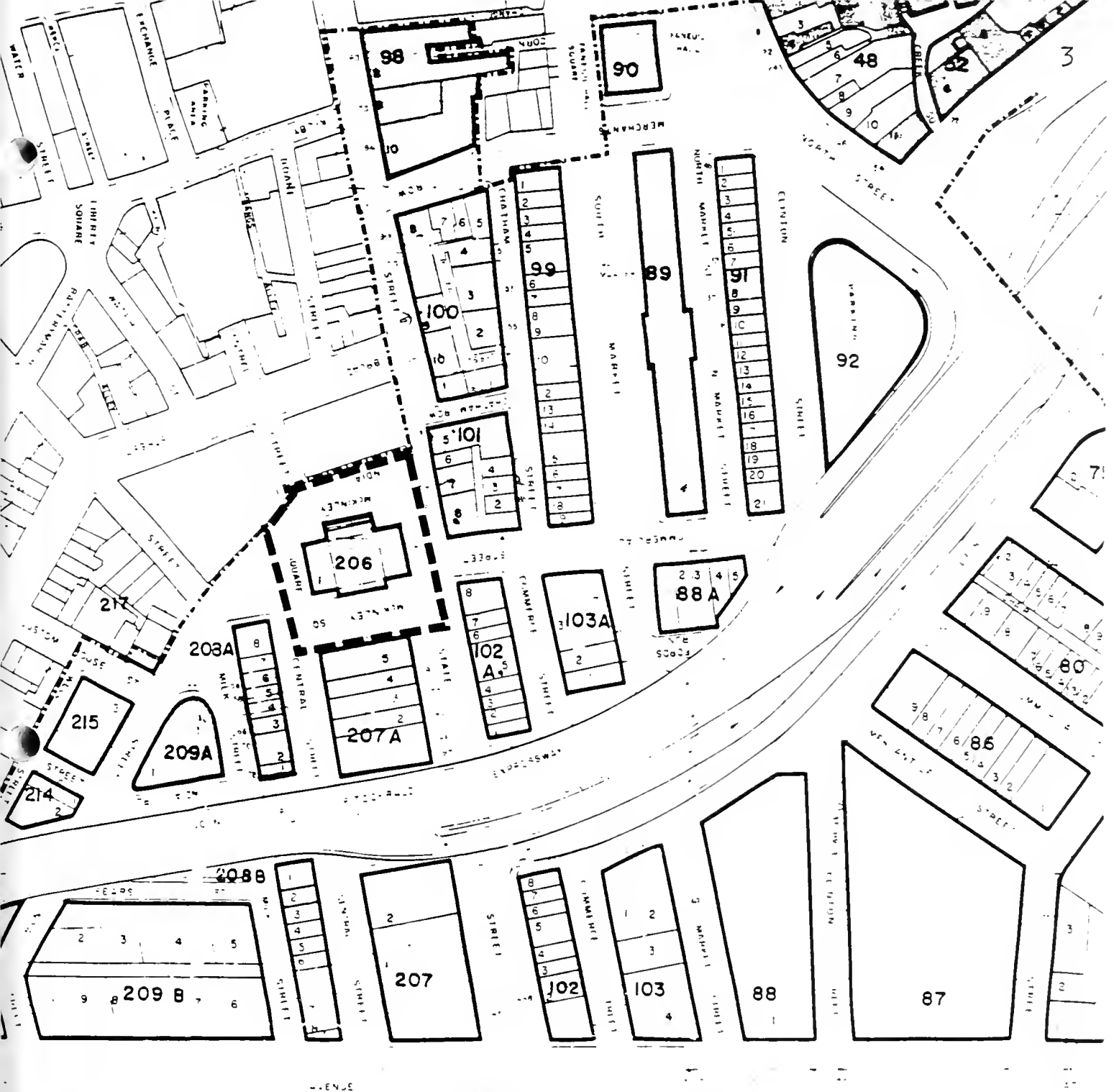
OLIVER

B-10-D

BROAD

WELL

ST



ATTACHMENT C

Property

--- U DISTRICT BOUNDARY

Downtown Waterfront —
Faneuil Hall
Urban Renewal Area
Massachusetts R-77

CERTIFICATION AND STATEMENT OF LIMITING CONDITIONS

CERTIFICATION: The appraiser certifies and agrees that:

1. The Appraiser has no present or contemplated future interest in the property appraised and that neither the employment to make this appraisal, nor the compensation for it, is contingent upon the appraised value of the property.
2. The Appraiser has no personal interest in or bias with respect to the subject matter of the appraisal report or the participants to the sale, if any.
3. The Appraiser has personally inspected the property, both inside and out, and that according to the best of the Appraiser's knowledge and belief, all statements and information in this report are true and correct, and that the Appraiser has not knowingly withheld any significant information.
4. All contingent and limiting conditions are contained herein (imposed by the terms of the assignment or by the undersigned) affecting the analyses opinions and conclusions contained in this report.
5. This appraisal report has been made in conformity with and is subject to the requirements of the Code of Professional Ethics and Standard of Professional Conduct of the appraisal organizations with which the Appraiser is affiliated.
6. All conclusions and opinions concerning the real estate that are set forth in the appraisal report were prepared by the Appraiser whose signature appears on this appraisal report, unless indicated as "Review Appraiser." No change of any item of the appraisal report shall be made by anyone other than the Appraiser, and the Appraiser shall have no responsibility for any such unauthorized change.

CONTINGENT AND LIMITING CONDITIONS: The certification of the Appraiser appearing in this appraisal report is subject to the following conditions and to such other specific and limiting conditions as are set forth by the Appraiser in the report.

1. The Appraiser assumes no responsibility for matters of a legal nature affecting the property appraised or the title thereto, nor does the Appraiser render any opinion as to the title, which is assumed to be good and marketable. The property is appraised as though under responsible ownership.
2. Any sketch in this report is included to assist the reader in visualizing the property, and the Appraiser assumes no responsibility for its accuracy. The Appraiser has made no survey of the property.
3. The Appraiser is not required to give testimony or appear in court because of having made this appraisal, with reference to the property in question, unless arrangements have been previously made therefor.

4. Any distribution of the total valuation in this report between land and improvements applies only under the existing program of utilization. Any separate valuations for land and building must not be used in conjunction with any other appraisal and are invalid if so used.
5. The Appraiser assumes that there are no hidden or unapparent conditions of the property, subsoil or structures which would render it more or less valuable. The Appraiser assumes no responsibility for such conditions or for engineering which might be required to discover such factors.
6. In this appraisal assignment, the existence of potentially hazardous material used in the construction or maintenance of the building, such as the presence of urea-formaldehyde foam insulation, and/or the existence of toxic waste, which may or may not be present on the property, was not observed by the appraiser; nor does he have any knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The existence of urea-formaldehyde insulation or other potentially hazardous waste material may have an effect on the value of the property. The appraiser urges the client to retain an expert in this field if desired.
7. Information, estimates and opinions furnished to the Appraiser and contained in this report were obtained from sources considered reliable and believed to be true and correct. However, no responsibility for accuracy of such items furnished the Appraiser can be assumed by the Appraiser.
8. Disclosure by the Appraiser of the contents of this appraisal report is subject to review in accordance with the by-laws and regulations of the professional appraisal organizations with which the Appraiser is affiliated.
9. Neither all nor part of the contents of this report, or copy thereof (conclusions as to property value, the identity of the Appraiser, professional designations, reference to any professional appraisal organizations, or the firm with which he is connected) shall be used for any purpose by anyone but the client or its assigns without the previous written consent of the Appraiser; nor shall it be conveyed by anyone to the public through advertising, public relations, news, sales or other media, without the written consent and approval of the Appraiser.
10. On all appraisals where the subject requires repairs or alterations, the appraisal report and value conclusion are contingent upon completion of such in a workmanlike manner.
11. This assignment was undertaken for the client specified herein. The Appraiser does not recognize or assume any duty to persons other than that client in the formulation of this report and its conclusions. The client may make such reasonable use of this report as is consistent with the function of the report, but any third or other party into whose possession the report may come should not assume that its rationales or conclusions will serve any other client of function.

Date July 25, 1986

DEFINITIONS

Market Value* (1) - The most probable price in terms of money which a property should bring in competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus.

Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. buyer and seller are typically motivated.
2. both parties are well informed or well advised, and each acting in what they consider their own best interest.
3. a reasonable time is allowed for exposure in the open market.
4. payment is made in cash or its equivalent.
5. financing, if any, is on terms generally available in the community at the specified date and typical for the property type in its locale.
6. the price represents a normal consideration for the property sold unaffected by special financing amounts and/or terms, services, fees, costs, or credits incurred in the transaction.

Highest and Best Use* - That reasonable and probable use that supports the highest present value, as defined, as of the effective date of the appraisal.

Alternatively, that use, from among reasonably probable and legal alternative uses, found to be physically possible, appropriately supported, financially feasible, and which results in highest land value.

The definition immediately above applies specifically to the highest and best use of land. It is to be recognized that in cases where a site has existing improvements on it, the highest and best use may very well be determined to be different from the existing use. The existing use will continue, however, unless and until land value in its highest and best use exceeds the total value of the property in its existing use.

* "Real Estate Appraisal Terminology", Rev. Edition, American Institute of Real Estate Appraisers and Society of Real Estate Appraisers, 1981.

(1) Value may also be defined as the present worth of all future benefits.



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JOHN C. SPEROU, SRA, MRA
RICHARD J. DENNIS, JR

CERTIFICATE OF VALUE

The undersigned hereby certifies that upon request of

Boston Redevelopment Authority
One City Hall Square
Boston, Massachusetts
Patricia M. Twohig, Real Estate Officer

he has personally inspected the property described herein for the purpose of estimating its market value as of July 23, 1986

Custom House Tower
Boston, Massachusetts
General Services Administration (GSA), Owner

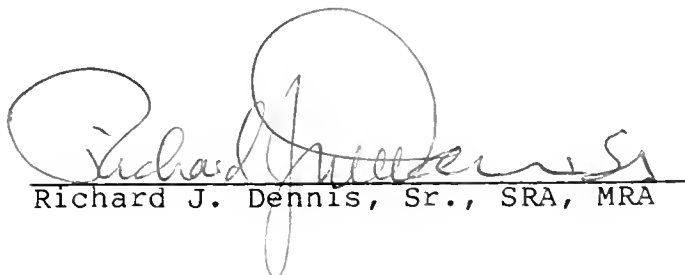
and that, in his opinion, said market value as of that date was:

FOUR MILLION DOLLARS (\$4,000,000)

This property was appraised as a whole, owned in fee simple and subject to encumbrances if any there be and to the Statement of Limiting Conditions herein.

The undersigned further certifies that this is his independent judgment as to the value of said property in which he has no past, present or future contemplated interest.

In witness whereof he hereunto sets his hand this 25th day of July, 1986.


Richard J. Dennis, Sr., SRA, MRA





Society of Real Estate Appraisers[®]

This certifies that

Richard J Dennis Sr SRPA

*Has completed Continuing Education requirements
in accordance with the by-laws of
The International Society of Real Estate Appraisers
and has been recertified by action of
The Board of Governors.*

Such certification to remain in effect thru

December 31, 1989

Robert E. Palmer
Executive Vice President

Richard E. Nelson
President

United States Custom House
McKinley Square
Boston, Massachusetts
General Services Administration (GSA), Owner

PURPOSE OF APPRAISAL

This appraisal has been requested by the Boston Redevelopment Authority (BRA) for the purpose of estimating the current fair market value of the property described herein.

The function of the report is to assist the BRA in establishing a price at which it might acquire this subject property pursuant to a Surplus Determination having been made by the GSA.

CUSTOM HOUSE TOWERHIGHEST AND BEST USE

Support documents copied and made a part of this report will reveal that even within the historical significance of the subject property a variety of uses are conceptually permitted, i.e., residential, office or hotel. The ultimate selection of an appropriate Highest and Best Use is a residual technique whereby each of any reasonably probable use is fully hypothecated and evaluated in order to discover what is the return to the underlying land. The key to applying any such test is the reasonable probability of such a use taking place.

In dealing with the subject property the appraiser has concluded that neither residential nor hotel use is reasonably probable and for the following reasons:

Residential use is completely impractical. While each floor in that part of the building which can be occupied for other than public uses is relatively small for office functions, but extremely large for residential - depending on which floor somewhere between 1,600 and 3,000 square feet. In order to create units which would be more marketable (the reader is reminded that condominium sales of this space is prohibited), it would be necessary to subdivide each floor into acceptable marketable residential configurations. To accomplish that it would be necessary to have primary and secondary egress from each of the units generating an extraordinary need for the dedication of space to common area and a crippling cost to include additional staircases. Further, the provision of kitchens and bathrooms in several locations with the requisite supporting risers, chases, vents and conduits would further expand the renovation costs to unacceptable levels. Forgetting for the moment the identification of this property, as a practical matter the spectacular vistas do not begin until the eighth or tenth floor and placing bathrooms or kitchens so they had direct exterior ventilation through existing windows would further limit an already limited attribute of this building.

A hotel use of this property is also impractical for a variety of reasons several of which are already stated above under residential use, i.e., plumbing requirements, ventilation needs, dual means of egress, etc. In addition, however, a hotel use has a fundamental requirement of lobby, restaurant and function space even in a continental hotel such as the Bostonian is nearby on North Street. In the subject property all of the beautiful spaces on the lower levels would lend themselves nicely in support of a hotel use are to be dedicated to public use on the order of a museum. Upper floors could be devoted to these uses, but they would be of no special appeal and only a handful of rooms would be generated which had the kinds of views and comforts associated with very expensive hotel accommodations which these would be because of the enormous requisite costs.

Consequently it is the appraiser's judgment that the appropriate use for this property is for private first-class office space. While there are severe functional limitations, adequately addressed later in the analysis section of the report, the spaces can be reached (see design conclusions) with attractive adequate lobby support, essentials for safety, sufficient floor areas to appeal to small prestigious users and a location/identification attribute of great moment. The dedication of the lower levels to public use is not incompatible with this private use. Adequate even attractive lobby and support access for the office use on the upper levels can be provided with good design that is compatible with the historic designation and Landmark goals - see criteria for each at addendum.

CUSTOM HOUSE TOWERLOCUS DESCRIPTION

The subject property is situated in the City of Boston and within the Waterfront Renewal Area of the BRA on the famed State Street with attendant support from public transportation, important identification with the financial section of the City, a proximity enormously famous and successful Faneuil Hall Marketplace and with vistas available on upper floors which is an element of its location near the actual waterfront. All of these are admittedly positive locational influences, but they are not without some negative pull.

The intensity of all of these nearby installations tends to clog the traffic patterns of lower State Street, the public transportation at the State Street subway stop is a relatively short but rather dirty and dangerous walk because of the necessity of crossing the surface arteries under the Central Artery and the proliferation of eating and drinking establishments nearby and the pedestrian patterns of the multitudes of tourists in good weather daytime and night cause the population of these precincts to be transient and somewhat adverse to the interests and expectations of the indigenous population.

It would be a gratuitous offering if this appraiser attempted to advise the probable readers of this report as to the

characteristics of the City of Boston in its role as the hub and capital city of Massachusetts with its obvious importance in terms of the New England or even Northeast Region. The extraordinary growth across the entire spectrum of activities, residential, industrial, commercial, retail, office and adaptive reuse (this last especially evident in the downtown waterfront section) together with the extraordinary international position achieved by this metropolitan area because of the salubrious presence of such institutions as Massachusetts General Hospital, Harvard, MIT, all accumulatively exude locational influences currently unparalleled in the United States.

Consequently, the appraiser finds that the subject property is under the best locational influences available in the City of Boston and on lower State Street, but does not escape the "drag" of those aspects of this intense urban setting which is visited on all properties so located.

Further, the appraiser finds that the subject is within, dominates and provides the name for the Custom House District which is now on the National Register of Historic Places. Therefore, it falls under its own influence as it were and a description of that District, as set forth in the City of Boston's Response to Notice of Surplus Determination and with supportive maps is an adequate description of the special locational influences in this District. That description from that Response follows immediately herein.

STATE Massachusetts	
COUNTY Suffolk	
FOR NPS USE ONLY	
ENTRY NUMBER	DATE

NATIONAL REGISTER OF HISTORIC PLACES
INVENTORY - NOMINATION FORM

(Type all entries - complete applicable sections)

1. NAME						
COMMON Custom House District						
AND/OR HISTORIC: 						
2. LOCATION 9th Congressional District						
STREET AND NUMBER: 						
CITY OR TOWN: Boston						
STATE Massachusetts		CODE 025	COUNTY Suffolk		CODE 025	
3. CLASSIFICATION						
CATEGORY (Check One)		OWNERSHIP		STATUS	ACCESSIBLE TO THE PUBLIC	
<input checked="" type="checkbox"/> District <input type="checkbox"/> Building <input type="checkbox"/> Site <input type="checkbox"/> Structure <input type="checkbox"/> Object		<input type="checkbox"/> Public <input type="checkbox"/> Private <input checked="" type="checkbox"/> Both		Public Acquisition: <input type="checkbox"/> In Process <input type="checkbox"/> Being Considered	<input checked="" type="checkbox"/> Occupied <input checked="" type="checkbox"/> Unoccupied <input checked="" type="checkbox"/> Preservation work in progress	Yes: <input type="checkbox"/> Restricted <input checked="" type="checkbox"/> Unrestricted <input type="checkbox"/> No
PRESENT USE (Check One or More as Appropriate)						
<input type="checkbox"/> Agricultural	<input checked="" type="checkbox"/> Government	<input type="checkbox"/> Park	<input type="checkbox"/> Transportation	<input type="checkbox"/> Comments		
<input checked="" type="checkbox"/> Commercial	<input type="checkbox"/> Industrial	<input checked="" type="checkbox"/> Private Residence	<input type="checkbox"/> Other (Specify)			
<input type="checkbox"/> Educational	<input type="checkbox"/> Military	<input type="checkbox"/> Religious				
<input checked="" type="checkbox"/> Entertainment	<input type="checkbox"/> Museum	<input type="checkbox"/> Scientific				
4. OWNER OF PROPERTY						
OWNER'S NAME public and private						
STREET AND NUMBER 						
CITY OR TOWN: Boston		STATE Massachusetts	CODE 025			
5. LOCATION OF LEGAL DESCRIPTION						
COURTHOUSE REGISTRY OF DEEDS ETC Registry of Deeds						
STREET AND NUMBER Suffolk County Courthouse						
CITY OR TOWN: Boston		STATE Massachusetts	CODE 025			
6. REPRESENTATION IN EXISTING SURVEYS						
TITLE OF SURVEY Historic American Building Survey Mass. -125, -789						
DATE OF SURVEY 1935 <input checked="" type="checkbox"/> Federal <input type="checkbox"/> State <input type="checkbox"/> County <input type="checkbox"/> Local						
DEPOSITORY FOR SURVEY RECORDS Library of Congress						
STREET AND NUMBER 						
CITY OR TOWN Washington		STATE D.C.	CODE 			

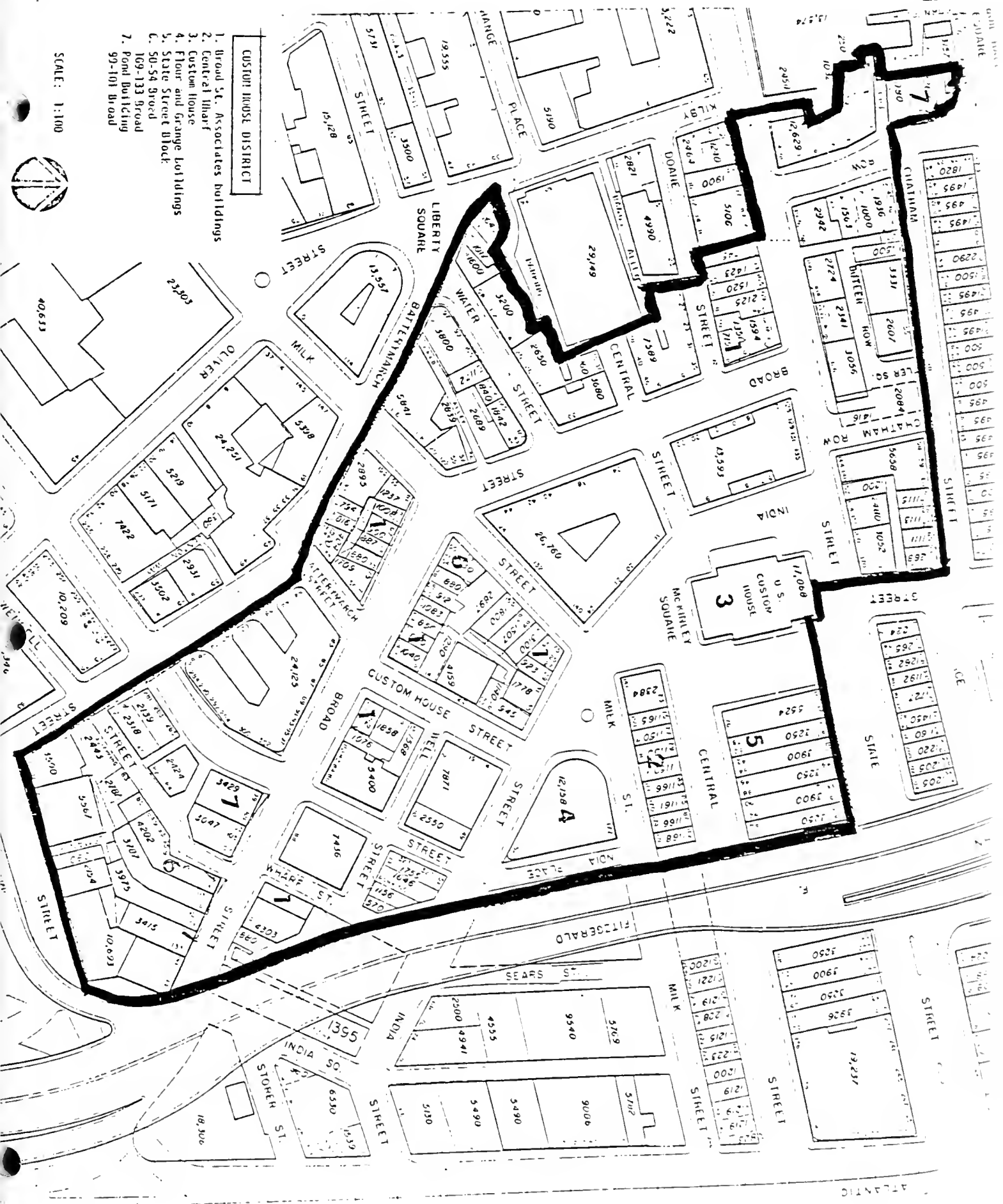
SEE INSTRUCTIONS

STATE
Massachusetts
COUNTY
Suffolk
FOR NPS USE ONLY
DATE

1. Broad St. Associates buildings
2. Central Library
3. Custom House
4. Four and Grange buildings
5. State Street Block
6. 50-54 Broad
- 109-133 Broad
7. Pond Building
- 99-101 Broad

CUSTOM HOUSE DISTRICT

SCALE: 1:100



7. DESCRIPTION

CONDITION	(Check One)					
	<input checked="" type="checkbox"/> Excellent	<input checked="" type="checkbox"/> Good	<input checked="" type="checkbox"/> Fair	<input checked="" type="checkbox"/> Deteriorated	<input type="checkbox"/> Ruins	<input type="checkbox"/> Unexposed
	(Check One)			(Check One)		
	<input checked="" type="checkbox"/> Altered	<input checked="" type="checkbox"/> Unaltered	<input type="checkbox"/> Moved	<input checked="" type="checkbox"/> Original Site		

DESCRIBE THE PRESENT AND ORIGINAL (if known) PHYSICAL APPEARANCE

The Custom House District of 15.9 acres includes the property within a line beginning at #1 Faneuil Hall Square turning south on Merchants Row for one block, turning east on Chatham Street, turning south on Commercial Street, turning east on State Street, turning south at the central artery of the John F. Fitzgerald Expressway continuing along the artery to High Street, continuing west on High Street to northwest on Batterymarch, turning east on Kilby Place, turning north at the back lot line of #30 Kilby Street, turning west on Bangs Alley, turning north at the back lot line of #15 Broad Street, and west of #99 State Street, turning west on State Street and north to the side lot line of #74 State Street, including the back lot line of #10 Merchants Row and #1 Faneuil Hall Square.

The Custom House District is an exhibit of mixed commercial architecture reflecting Boston's development as a major mercantile city. Originally, State and its extension, Long Wharf, plus Kilby and Batterymarch St. were the streets which converged with the early wharves and their scattering of small buildings. State Street, existing since Boston's founding, was extended to Long Wharf in 1710. This street and active pier formed the main link from the waterfront to Washington Street, the central axis to the neck. Chatham Street was laid in 1825 as part of the Quincy Market development to improve market facilities at Faneuil Hall. The resulting six new streets lined with stores and warehouses held the over flow of goods from Merchant's Row (laid in 1708).

In 1805 the Broad Street Association led by Uriah Cotting, with Charles Bulfinch as planner, began a development which altered the colonial waterfront both north and south of Long Wharf. By a land fill operation south of Long Wharf, they organized a street pattern dominated by two wide streets, Broad and India, which generally followed the contours of the harbor and were crossed by smaller access streets. Combined with the contiguous areas of the Markets and Faneuil Hall and the financial center on State Street, this expanded district became the center of Boston's merchant energies through the early years of the 19th century.

MAJOR STRUCTURES

The oldest buildings (c. 1810) in this district are #5, 7, 63-73, 64-70, 72, 102 Broad Street and #175 Milk Street(1). These Federal style buildings are the remnants of those erected from the design of Bulfinch for the Broad Street Association. Each building is of brick and was originally 4 stories in height with flared lintels, the 4th story windows being characteristically smaller and square. The cornice was a simple brick imitation of dentils and a string course of stone separated the stories. Originally the street level consisted of a central doorway flanked by two windows. Hipped roofs topped the edifices. Although significant alterations to window openings, ground floors, and roof lines have occurred, the Federal style and scale is still clearly preserved.

Central Wharf(2) at 146-176 Milk Street (1819) consisted of a row of 54 brick stores down the center of a wharf and formed the continuation of Milk Street. Surviving today are only eight of the original fifty-four units. Like the other Federal-style buildings in this district, each unit consisted of 4 stories, three bays with two six over six pane sashes flanking a central doorway at street level and capped by a hipped roof.

SEE INSTRUCTIONS

2. SIGNIFICANCE

PERIOD (Check One or More as Appropriate)

- ☐ Pre-Columbian ☐ 16th Century ☒ 18th Century ☐ 20th Century
☐ 15th Century ☐ 17th Century ☒ 19th Century

SPECIFIC DATE(S) (If Applicable and Known)

AREAS OF SIGNIFICANCE (Check One or More as Appropriate)

- | | | | |
|--|--------------------------------------|--|--|
| <input type="checkbox"/> Aboriginal | <input type="checkbox"/> Education | <input type="checkbox"/> Political | <input checked="" type="checkbox"/> Urban Planning |
| <input type="checkbox"/> Prehistoric | <input type="checkbox"/> Engineering | <input type="checkbox"/> Religion/Philosophy | <input type="checkbox"/> Other (Specify) _____ |
| <input type="checkbox"/> Historic | <input type="checkbox"/> Industry | <input type="checkbox"/> Science | _____ |
| <input type="checkbox"/> Agriculture | <input type="checkbox"/> Invention | <input type="checkbox"/> Sculpture | _____ |
| <input checked="" type="checkbox"/> Architecture | <input type="checkbox"/> Landscape | <input type="checkbox"/> Social/Humanitarian | _____ |
| <input type="checkbox"/> Art | <input type="checkbox"/> Literature | <input type="checkbox"/> Theater | _____ |
| <input checked="" type="checkbox"/> Commerce | <input type="checkbox"/> Military | <input type="checkbox"/> Transportation | _____ |
| <input type="checkbox"/> Communications | <input type="checkbox"/> Music | | |
| <input type="checkbox"/> Conservation | | | |

STATEMENT OF SIGNIFICANCE

The Custom House district is significant as an example of foresighted urban planning, by the Broad Street Associates, which allowed for the evolution of a district of commercial architecture reflective of a continually growing and prosperous mercantile Boston.

The Federal style buildings on Broad and Milk Streets are the sole surviving examples of the planned effort by Charles Bulfinch to create order for waterfront commerce. Building requirements were specified and adhered to for the sake of unity and the cohesive pattern of this development can still be observed. The small scale, mass, and fenestration of the Federal style is particularly noteworthy in this district where later more monumental styles are interwoven.

Central Wharf built by 1819 is the only remaining brick structure that exemplifies the architecture of Boston's early eighteenth century wharves. Similar to Bulfinch's India Wharf (demolished by 1968) and the other Federal-style buildings in this district, Central Wharf is easily distinguished in McKinley Square - beside the monumental granite edifices in view.

Built by Ammi B. Young between 1834-47 the Custom House on the corner of India and State Streets was originally at the water's edge, an ideal location for its use. With inspiration from classical Greece, the revival style was found to be an appropriate architectural form to express the confidence and dignity of an emerging Boston. As a Federally-owned building, it was not bound by the city's 125' height restriction, and, thus, when the tower was added, between 1913 and 1915, it became the first skyscraper in Boston.

The Grain and Flour Exchange, designed by Shepley, Rutan and Coolidge in 1890-92, commands the area of McKinley Square. Its rounded massing provides a striking contrast in scale, form and character to the other brick and granite buildings. This structure is one of the fine examples of Romanesque Revival architecture in the city of Boston.

Granite structures were the pride of mid-nineteenth century Boston. The new technology for transporting large blocks of granite catalyzed the change in scale of commercial buildings. Small brick warehouses and wharf buildings gave way to monumental blocks of granite. Economy of detail in these buildings places greater emphasis on the massive form. Granite warehouses were built in great numbers from the 1820's to 1860's, but only a few survive to reflect the power and prosperity of this mercantile port.

SEE INSTRUCTIONS

NATIONAL REGISTER OF HISTORIC PLACES
INVENTORY - NOMINATION FORM

(Continuation Sheet)

STATE Massachusetts	
COUNTY Suffolk	
FOR NPS USE ONLY	
ENTRY NUMBER	DATE

13E

(Number all entries)

6. Boston Landmarks Commission Survey
1972 Local
Boston Redevelopment Authority
City Hall
Boston, Massachusetts 025

7. Continued

Presently, ground floor alterations and additional floors on several units exist, yet the original window pattern, brick, and general scale are still retained.

The Custom House(3) at McKinley Square is a prime example of the Greek Revival style. Basically a version of a Doric temple, the longitudinal axis is crossed by a truncated axis with the crossing originally covered by a saucer dome. A giant Doric colonnade surrounds the two story granite structure which is set on a high basement. Under the pedimented gable ends, entrance is reached by a flight of steps. The reposed templar design was altered earlier in this century when its dome was removed, and a 16 story office tower was constructed.

Opposite the Custom House is the Flour and Grain Exchange(4), 177 Milk Street, illustrating the medievalizing trend in later Victorian architecture. Its blunt rounded granite facade and steep conical roof give the structure a picturesque silhouette as well as indicating its massive volume. The fenestration is arranged under connecting three story arches to emphasize the trading floor. String courses at each floor level provide a horizontal emphasis contrasting the vertical thrust of the windows which is continued in the peaked dormer windows, which creates a coronet around the roof cone.

The State Street Block(5), 177-199 State Street, designed by Gridley J. F. Bryant (1858) is a massive structure of dark rough-hewn granite. Granite ornamentation is severe and limited to the keystones of the segmental-arched windows, plain string courses, and the heavy bracketed cornice. On the McKinley Square facade, the cornice breaks into an arched pediment under which a decorative globe of the world is mounted. Although the Block was truncated by demolition of the majority of its bays and some roof and ground floor alterations have occurred, the monumental character of the building is preserved.

The mixed commercial fabric of this district is further enhanced by several structures illustrating later Victorian architectural style.

Two rough-hewn granite-faced buildings remain at #50 (c. 1860) and 109 Broad Street (1870)(6). Both display mansard roofs and string courses between stories. #50 Broad Street has a more consciously decorative use of granite in the corbelled cornice, bracketed lintels, and on the ground floor, arched keystone window frames. #109 Broad Street has segmental arched windows still intact on the upper floors, but ground floor alterations obscure the original openings.

#99 Broad Street (1854) and the Pond Building (1854)(7) at #1 Faneuil Hall Square are noteworthy examples of slab-granite construction. The huge flat surfaced blocks are interrupted only by the trabeated window and door openings.

NATIONAL REGISTER OF HISTORIC PLACES
INVENTORY - NOMINATION FORM

(Continuation Sheet)

STATE Massachusetts	
COUNTY Suffolk	
FOR NPS USE ONLY	
ENTRY NUMBER	DATE

13F

(Number all entries)

7. Continued

The Chadwick Lead Works 176-184 High Street(8). Designed by William G. Preston in 1887 with a functional lead drop tower, it is a leading example of commercial architecture in Boston after the fire of 1872. It is a brick structure with brownstone and terra cotta ornamentation, and large round headed arches containing pairs of windows.

The Harvard Club, 22 Batterymarch(9). This handsome French Renaissance Revival edifice was designed by Ball and Dabney in 1893. It is a brick building with a stone ground floor decorated with keyed voussoir arches and paired windows above outlined by a narrow stone molding.

114 State Street(10). This cast-iron commercial building, circa 1860, with arcaded fenestration is the only one of its kind in the district. The ground floor has been altered radically.

8. Continued

The Custom House district is an architectural environment of great heterogeneity in form, scale, materials, and styles. Constructed through a century, the changing techniques and attitudes of development are reflected in the variety of plot sizes and building scales. Yet, the transitions between the juxtaposed forms are successful. The broad base and height of the twentieth century Batterymarch Building does not disturb the solidity of the granite warehouses. The fanciful treatment of the many Italianate structures balances the reserve of the small Federal style brick buildings. A combination of textures and colors can be found in a single building such as those facing Water Street at Liberty Square, or in a complete street scape such as Merchants Row. This variety when set upon an irregular street pattern creates many strong spaces of surprising contrast and a system of well defined vistas. This district of commercial architecture, which honors mercantile Boston, a delicately balanced yet successful mixture.

9. Continued

Thwing, Arnie Haven. The Crooked and Narrow Streets of the Town of Boston. Boston, 1920.

Whitehill, Walter Muir. Boston: A Topographical History. Rev. ed., Cambridge, 1968.

Winsor, Juston, ed. Memorial History of Boston. 4 vols. Boston 1881-1886.

9. MAJOR BIBLIOGRAPHICAL REFERENCES

Bacon, (Edwin M.), Bacon's Dictionary of Boston. Boston, 1886

Boston Street Commissioners. Record of Streets, Alleys, Places, etc., in the City of Boston. 2nd ed. Boston, 1910.

Herndon, Richard. Boston of To-Day. Boston, 1892.

Shurtleff, Nathaniel Bradstreet. A Topographical and Historical Description of Boston. Boston, 1870.

10. GEOGRAPHICAL DATA

LATITUDE AND LONGITUDE COORDINATES DEFINING A RECTANGLE LOCATING THE PROPERTY				O R	LATITUDE AND LONGITUDE COORDINATES DEFINING THE CENTER POINT OF A PROPERTY OF LESS THAN TEN ACRES				
CORNER	LATITUDE		LONGITUDE		LATITUDE		LONGITUDE		
	Degrees	Minutes	Seconds	Degrees	Minutes	Seconds	Degrees	Minutes	Seconds
NW	42°	21.34.79	71°	03.23.93					
NE	42°	21.34.79	71°	03.07.87					
SE	42°	21.23.07	71°	03.07.87					
SW	42°	21.23.07	71°	03.23.93					

APPROXIMATE ACREAGE OF NOMINATED PROPERTY: 15.9

LIST ALL STATES AND COUNTIES FOR PROPERTIES OVERLAPPING STATE OR COUNTY BOUNDARIES

STATE:	CODE	COUNTY	CODE
STATE:	CODE	COUNTY	CODE
STATE:	CODE	COUNTY	CODE
STATE:	CODE	COUNTY	CODE

11. FORM PREPARED BY

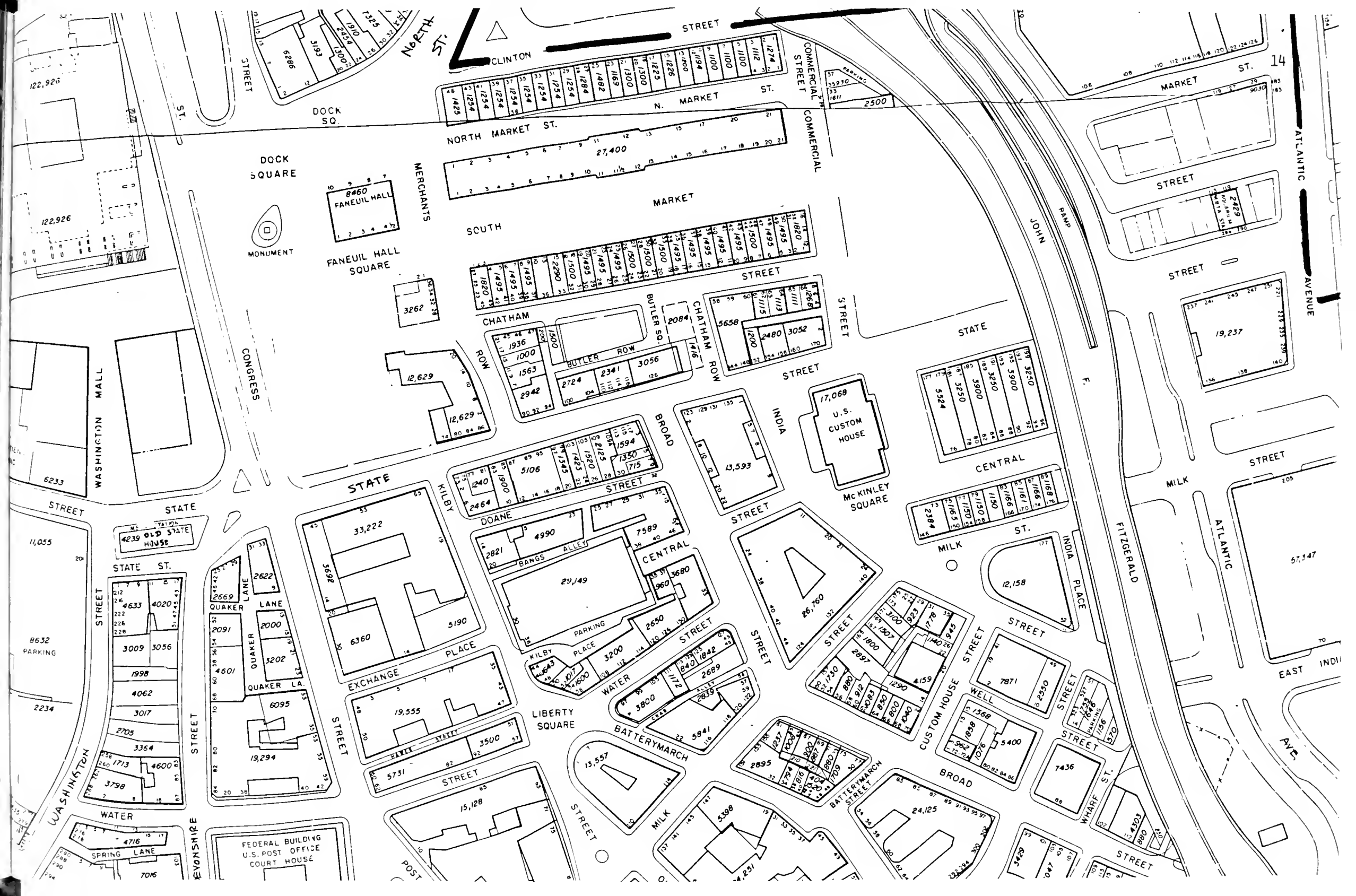
NAME AND TITLE: Carol Todreas, Deborah Gott-lin		
ORGANIZATION Boston Landmarks Commission	DATE February 1973	
STREET AND NUMBER City Hall		
CITY OR TOWN: Boston	STATE Massachusetts	CODE 025

12. STATE LIAISON OFFICER CERTIFICATION

NATIONAL REGISTER VERIFICATION

<p>As the designated State Liaison Officer for the National Historic Preservation Act of 1966 (Public Law 89-665), I hereby nominate this property for inclusion in the National Register and certify that it has been evaluated according to the criteria and procedures set forth by the National Park Service. The recommended level of significance of this nomination is:</p> <p>National <input type="checkbox"/> State <input type="checkbox"/> Local <input type="checkbox"/></p> <p>Name _____</p> <p>Title _____</p> <p>Date _____</p>	<p>I hereby certify that this property is included in the National Register</p> <p>_____ Chief, Office of Archeology and Historic Preservation</p> <p>Date _____</p> <p>ATTEST</p> <p>_____ Keeper of The National Register</p> <p>Date _____</p>
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SEE INSTRUCTIONS



CUSTOM HOUSE TOWERGENERAL DESCRIPTION

The subject property is a unique and outstanding building which has a clear history widely reported. For the appraiser to enter into a description would be gratuitous except as such description will aid the reader in understanding the concepts of reuse which have been applied in this analysis. In that context, the reader is referred to the Notter Finegold & Alexander, Inc. report concerning this property - see TAB.

It suffices to say that the subject consists of a slightly irregular parcel of land surrounded by public ways and streets (State, Central, India Streets and McKinley Square), which site, all measurements being more or less, contains a total area of about 17,068 SF as shown on sketches and maps and as described in available deeds which follow immediately herein.

The site is improved with two structures, one generally referred to as the "temple" portion which was built in 1890 and consists of five structural levels, one below grade, which has beautiful granite facades with huge marble columns and magnificent steps leading to the first level above grade and has interior finish which is magnificent and constitutes a three-level rotunda with a resonant colonnade effect throughout.

The second or newer building, built around 1911, constitutes a 27-tower surmounted on the temple portion. It is also magnificent in aspect and tapers to a series of balconies, then a clock tower and finally a pyramid roof. The interior finish in the tower portion is mixed but includes offices for the Federal Government and a series of mechanical rooms including floors which are windowless and spaces devoted to such unusual items as the crown of the rotunda dome, space for the clock mechanism on the 23rd floor and other relatively useless space in terms of function, but with such interesting things as circular stairways and the fascinating presence of a peregrine falcon nest - a species being reintroduced to downtown Boston in an urban setting where, apparently, these birds of prey can function as if they were living in "cliffs".

Insofar as the proposal for the reuse of this building is to generally change the interior except the temple, it is unnecessary to go into further descriptions beyond that to which the reader has already been referenced.

Certain salient facts at this point might assist:

<u>Item</u>	<u>Component</u>
Land Area	17,068 SF
Gross Building Area (GBA)	123,150 SF
- "Temple" (GBA)	56,300 SF
- Tower (GBA)	66,850 SF
Leasable Area	51,450 SF
- Common Area	4,735 SF
Elevators	4 from street through 17th floor 5 at 18th floor 1 from 19th to 25th floor
Stairs	1 from sub-basement to grade 2 from 2nd to 20th floor 1 from 21st to the top

Know all Men by these Presents, that the
Population of Boston for a the Long Wharf a corporation
and established by authority of the Commonwealth of
Massachusetts in consideration of one hundred and
eight thousand dollars to said Corporation paid in
the United States of America, the receipt whereof is
acknowledged, do hereby give, grant, bargain, sell and
convey unto the said United States of America, their suc-
cessors and assigns forever, a certain tract of land and
flats, situate in the City of Boston in the County of Suffolk
and Commonwealth aforesaid bounded described and
measuring as follows, to wit: Southwally on a street or highway
fifty feet wide in continuation of Plate Street as shown
on the plan hereinafter mentioned twenty five feet
Westwally on Main Street thirty five feet Southwally on
said Main Street ten feet Westwally on said Main Street
fifty feet and eleven and three quarters inches Southwally on
the back of land and flats hereinafter described ninety five
feet and eight tenths of an inch Eastwally on proposed
new Street fifty eight feet two and a quarter inches South-
wally on said said Street ten feet and Eastwally on said New
Street thirty five feet - Also a certain other tract of land
and flats situate in said City of Boston adjoining that
above conveyed and bounded described and measuring
as follows to wit: Southwally on the back of land and flats
above described ninety five feet and eight tenths of an inch
Westwally on said India Street thirteen feet and one quarter
Southwally on said India Street ten feet Westwally
on said India Street thirty five feet Southwally on said Street
a highway connecting said India Street with said proposed
new Street seventy five feet Eastwally on said proposed new
Street thirty five feet Southwally on said New Street ten feet

97

18

Rep^y of
Boston
Long Wharf
United States
of America.

in the Central Wharf and West Dock Corporation that it is
 free from all ^{and} incumbrances that said Directors of said
 Boston Pier or the Long Wharf have good right to sell and convey
 the same to the said United States of America then suc-
 cessors and assigns forever as aforesaid and will warrant
 and defend the same to the said United States of America
 then successors and assigns forever against the lawful
 claims and demands of all persons excepting said Central
 Wharf and West Dock Corporation and that no building
 other than wharves shall ever be erected by said Directors
 of Boston Pier or the Long Wharf then successors or assigns
 within sixty feet of the Eastern line of the main
 building to be erected on the land and plot above con-
 ceded. In witness whereof the said Directors of Boston
 Pier or the Long Wharf have caused these presents to be
 signed by James Savage the President of said Corporation
 thereof duly authorized and their common seal to be here-
 upon affixed this twenty ninth day of August in the year of our
 Lord eighteen hundred and thirty seven. In witness
 whereof Boston Pier or Long Wharf Corp^y and a seal
 Signed sealed and delivered in presence of us John P. Deane
 & J. S. Dorruck Commissioners of the Commonwealth of Massachusetts
 at Boston Sept 13th 1837. Then personally appeared the
 above named James Savage and acknowledged the above
 instrument to be the free act and deed of said Corporation
 of Boston Pier or the Long Wharf & before me John H. Dillon
 Justice of the Peace — Approved & certified Sept 9th 1837

— the following is subscribed to the preceding —
 Boston of America 1837. At a meeting of the Directors of
 Boston Pier or the Long Wharf held this day — Voted
 that the President and Directors of the Corporation be
 and are authorized to agree on and conclude the terms concerning

of all the easements to be granted and reserved the quantity
 of land to be granted the breadth of the streets to be kept
 open, the considerations and compensations of every kind
 to be received and all other matters concerning the premises
 in any contract which may be made with the Commis-
 sioners for purchasing a site for a Custom House, and
 also to release the Central Wharf and Wet Dock Corporation
 from so much of the restriction concerning building contained
 in an indenture with Ebenezer Francis dated 21st December
 1814 as may be necessary for the purpose above mentioned,
 on then granting the like release to us. — Voted

That the President of this Corporation is hereby author-
 ized to sign, to seal with our Common Seal, to acknowledge
 and deliver such deeds & instruments as may be drawn to
 carry the vote, next preceding, into effect, & to receive such
 consideration & compensation as may be thereby agreed in
 Attest Copy of the record Attest Elijah Loring, Clerk of
 said Corporation — With a legal meeting of the
 President and Directors of the Proprietors of Boston Pier
 on the Long Wharf held in the City of Boston this second
 day of September A.D. 1837 the within deed having been
 read and approved by said President and Directors,

Voted That James Savage the President of the said
 Corporation be and he hereby is authorized and directed
 in behalf thereof to sign the said deed affix thereto the
 Common Seal of said Corporation and acknowledge and
 deliver the said instrument as its free act and deed —

Attest Copy of the record Attest Elijah Loring, Clerk of
 said Proprietors September 13. 1837. at 51 minutes past
 2 o'clock P.M. Thomas Cutler and Benjamin

J. Silby & John T. Co.

be deemed as if so printed as aforesaid, and to be a full use
 of 'Sanford's' wharves - and reserving, to said two corpora-
 tions its 'severely' and to all claiming under them, and to the
 said United States of America its successors and assigns
 and to all persons now lawfully entitled thereto, the
 right of draining under and through said premises
 hereby conveyed and the right to continue out the pres-
 ent drains, through the same as may be found expedient
 It is well understood that the said City of Boston
 accept this conveyance under the agreement that the
 said public highways or streets to be made over the land
 hereby conveyed, shall be completed at the sole cost and
 expense of the said United States of America to the accep-
 tance of the Mayor and Aldermen of said City.

We Agree and to hold the premises hereby conveyed to
 the City of Boston and its successors and assigns in
 fee simple to their own use and behoof forever but subject
 to the conditions and reservations above expressed.

In Witness Whereof the said two Corporations have caused
 their seals to be hereunto affixed by their respective Presidents
 thereto duly authorized viz: James Savage President of
 the Proprietors of Boston Pier on the Long Wharf and
 John S. Williams President of the Central Wharf and
 West Dock Corporation, who have also thereto set their
 hands this twenty ninth day of August in the year of
 our said Eighteenth hundred and thirty seven. J. Savage
 President of Boston Pier on Long Wharf Corp. and a Seal
 John S. Williams President of Central Wharf and West
 Dock Corporation and a Seal Signed Said and de-
 livered in presence of us (the words hereby conveyed not
 interlined) John W. Alden & J. Bowditch (Attorneys)
 John H. West Atty. General Commonwealth of Massachusetts

Suffolk p. 181. 13th 1837. Then personally appeared the said James Savage and acknowledged the foregoing instrument to be the free act and deed of said Proprietors of Boston Pier or the Long Wharf; also the said John D. Williams and acknowledged the same instrument to be the free act and deed of said Central Wharf and West Dock Corporation Before me John H. Alden Justice of the Peace. _____

_____ The following are subjoined to the foregoing _____
 At a legal meeting of the President and Directors of the Proprietors of Boston Pier or the Long Wharf held in the City of Boston on this second day of September A.D. 1837 the within deed having been read and approved by said President and Directors. Voted that James Savage the President of said Corporation be and he hereby is authorized and directed in behalf thereof to sign the said deed, affix thereto the common seal of said Corporation and acknowledge and deliver the said Instrument as its free act and deed. True Copy of the Record. Attest. Elijah Loring, Clerk of said Corporation. _____

At a legal meeting of the Central Wharf and West Dock Corporation held in the City of Boston this twenty ninth day of August A.D. 1837 - the within deed having been read and approved by said Corporation. Voted that John D. Williams the President of said Corporation be and he hereby is authorized and directed in behalf thereof to sign the said deed, affix thereto the common seal of said Corporation, and acknowledge and deliver the said Instrument as its free act and deed. True Copy of the Record. Attest James M. Plancy Clerk of said Corporation. September 13 1837 at 51 minutes past 2 P.M. Geo. East and Exam^r
 J. T. May & Wm. C. May

EXHIBIT BATTORNEY'S REPORT OF TITLE

Customs House, Boston, Massachusetts

I, William F. Manley, Assistant Regional Counsel, Region 1, General Services Administration, Boston, Massachusetts, hereby certify that I have examined the title papers and site register in the possession of this Region and find that the United States of America is owner in fee simple of the Customs House site at State, Central, Commercial and India Streets, now known as McKinley Square, Boston, Suffolk County, Massachusetts, under the following deeds:

1) A parcel of land measuring 140 feet by 75 feet with two central rectangular projections on the easterly and westerly bounds measuring 10 feet by 70 feet conveyed by the following deeds:

- a) Proprietors of Boston Pier or Long Wharf to the United States of America, dated September 13, 1837, and recorded in Suffolk Deeds Book 424, Page 97; and
- b) Central Wharf and Wet Dock Corporation to the United States of America, dated August 29, 1837, and recorded in Suffolk Deeds Book 424, Page 101.

N.B. Both of the above deeds restrict construction upon the 70 foot by 10 foot projections to "porticoes and the appurtenances therof."

N.B.B. By deed of both the above grantors to the City of Boston, and recorded at Suffolk Deeds Book 424, Page 99, the United States is allowed to construct sidewalks (with coal holes thereunder) 10 feet by 3 feet on the easterly side and northerly end of the Customs House. Said deed recorded at Suffolk Deeds Book 424, Page 99.

Plan: A plan of said Customs House site was drawn by R.H. Eddy, dated August 26, 1837, and is attached as plan "A" hereto.

2) Four strips of land measuring respectively (i) 92 feet by 11 feet surrounding the projections on the easterly bound; (ii) 3 feet around the first strip; (iii) 92 feet by 11 feet surrounding the projection on the westerly bound and; (iv) 3' around the third strip. The first and third strips are restricted in their use to "steps and their

appurtenances." The second and fourth strips are restricted to "sidewalks for public travel." The parcels are conveyed by:

- a) Deed of the City of Boston to the United States of America, dated June 7, 1839, and recorded in Suffolk Deeds Book 445, Page 161; and
 - b) Deed of the Proprietors of Long Wharf and Central Wharf to the United States of America dated June 7, 1839, and recorded in Suffolk Deeds Book 445, Page 162, releasing restrictions in their above said deed to the City of Boston recorded at Book 424, Page 99.
- 3) A 71 by 10.25 foot strip centered on the westerly side of the Customs House along India Street "to be used for steps," and two 9 by 5 foot parcels on the northerly and southerly sides of the site also "to be used for steps." Both parcels are colored blue on Plan attached hereto and marked "B." The parcels are conveyed by the following deeds:

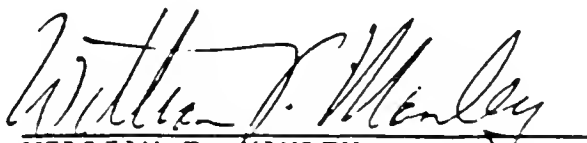
- a) Deed of the City of Boston to the United States of America, dated July 11, 1863, and recorded in Suffolk Deeds Book 831, Page 25; and
- b) Deed of the Proprietors of Boston Pier or the Long Wharf and Central Wharf and Wet Dock Corporation, dated July 11, 1863, and recorded with Suffolk Deeds Book 831, Page 26, releasing restriction in their above said deed recorded at Book 424, Page 99.

Note: The above said deeds are attached hereto with the title opinion, dated July 16, 1909, of Frank E. Sherry, Peabody & Stearns, Boston, Massachusetts.

No other records were found to affect the title to this property.

Attached also are notes to Plan B and picture and historical note of the original Customs House completed on this site in 1847.

Signed this 9th day of November, 1984.

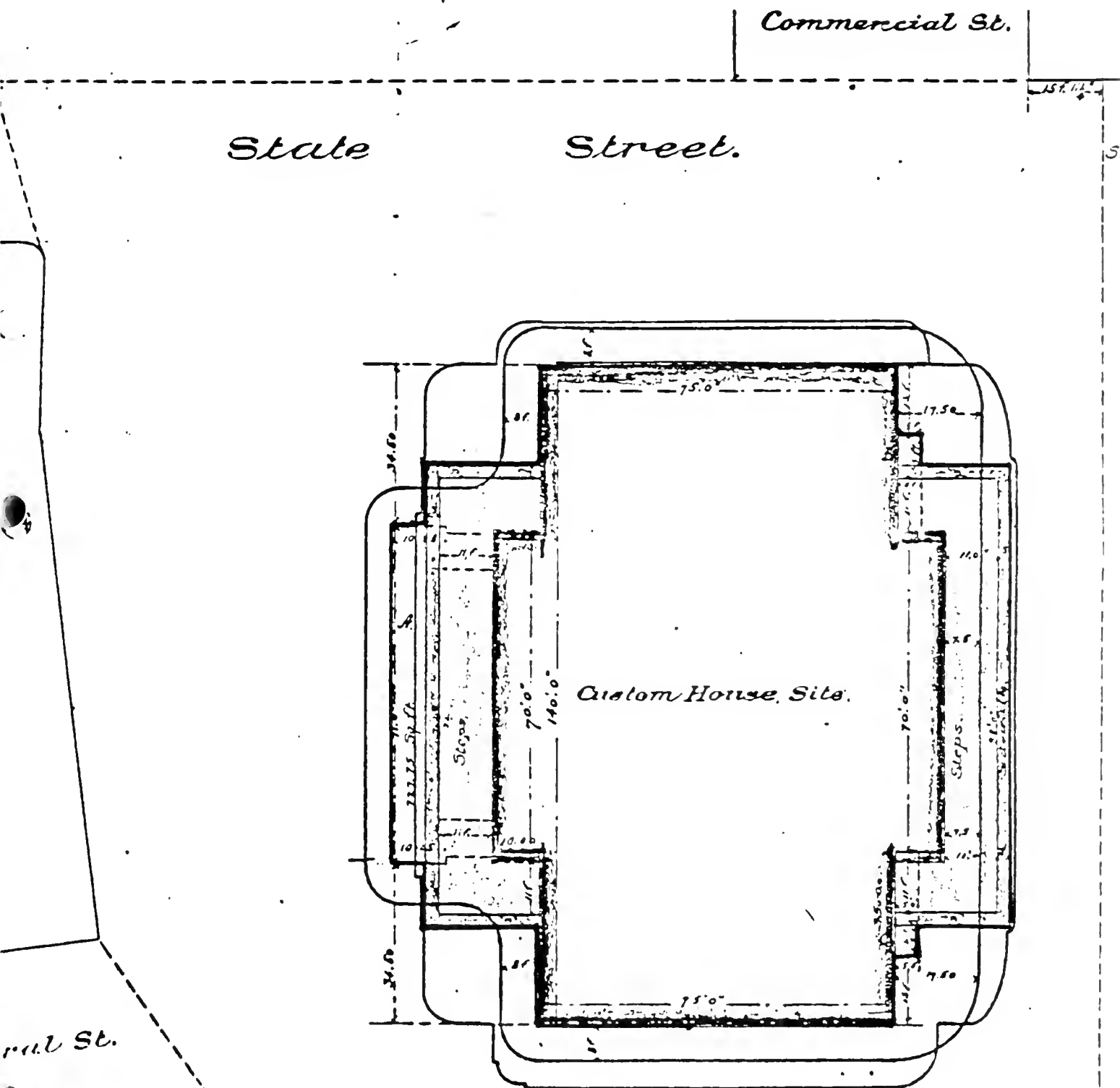

 WILLIAM F. MANLEY
 Assitant Regional Counsel

(of "plan on
8 x 11" sheet
in B.U.Tang
Evaluation
Report).

TOTAL AREA INCLUDES TOTAL OF COLORED SECTIONS
AS TAKEN FROM DEEDS AND DESCRIBED THEREIN.

BOSTON, Cu-H--16

25



STREET

COMM. -
STREET

STREET

TUNNEL

STREET

INDIA

TRAL
REET

Not to be
Acquired
CUSTOM
HOUSE
①
206

McKINLEY
SQUARE

208A

Ⓐ

CUSTOM HOUSE TOWER

Photo by R. Dennis - July 1986



1. NW - View from Atlantic Ave. showing relationship to Central Artery.

CUSTOM HOUSE TOWER

Photo by R. Dennis - July 1986



2. W - Available view along State Street - Old State House in far background.

CUSTOM HOUSE TOWER

Photo by R. Dennis - July 1986



3. SE - Available view from Chatham Row

CUSTOM HOUSE TOWER

Photo by R. Dennis - July 1986



4. N - Available view from Central St. side

CUSTOM HOUSE TOWER

Photo by R. Dennis - July 1986



5. Street view of McKinley Square from State Street

Photo by R. Dennis - July 1986



6. General northerly panorama from upper floors

CUSTOM HOUSE TOWER

Photo by R. Dennis - July 1986



7. Easterly panorama from upper floors - Long Wharf at left, Harbor Towers at right

CUSTOM HOUSE TOWER

Photo by R. Dennis - July 1986



8. Southerly panorama from upper floors - new construction at lower left is Rowe's/
Foster's Wharf and tower at center is International Place.

CUSTOM HOUSE TOWER

Photo by R. Dennis - July 1986



9. Westerly panoramic view from upper floors

CUSTOM HOUSE TOWER

Photos by R. Dennis - July 1986



10. Interior view of rotunda at basement (street floor) level.



11. Available interior view of upper level of rotunda.

CUSTOM HOUSE TOWER

Photo by R. Dennis - July 1986



12. Available view of upper reaches of the rotunda.

CUSTOM HOUSE TOWER

photos by R. Dennis - July 1986



13. Typical existing office space.



14. View of 18th floor transition space - main bank of elevators just out of the photograph to the left, single elevator to upper floors at top of stairs to the right.

CUSTOM HOUSE TOWER

Photo by R. Dennis - July 1986



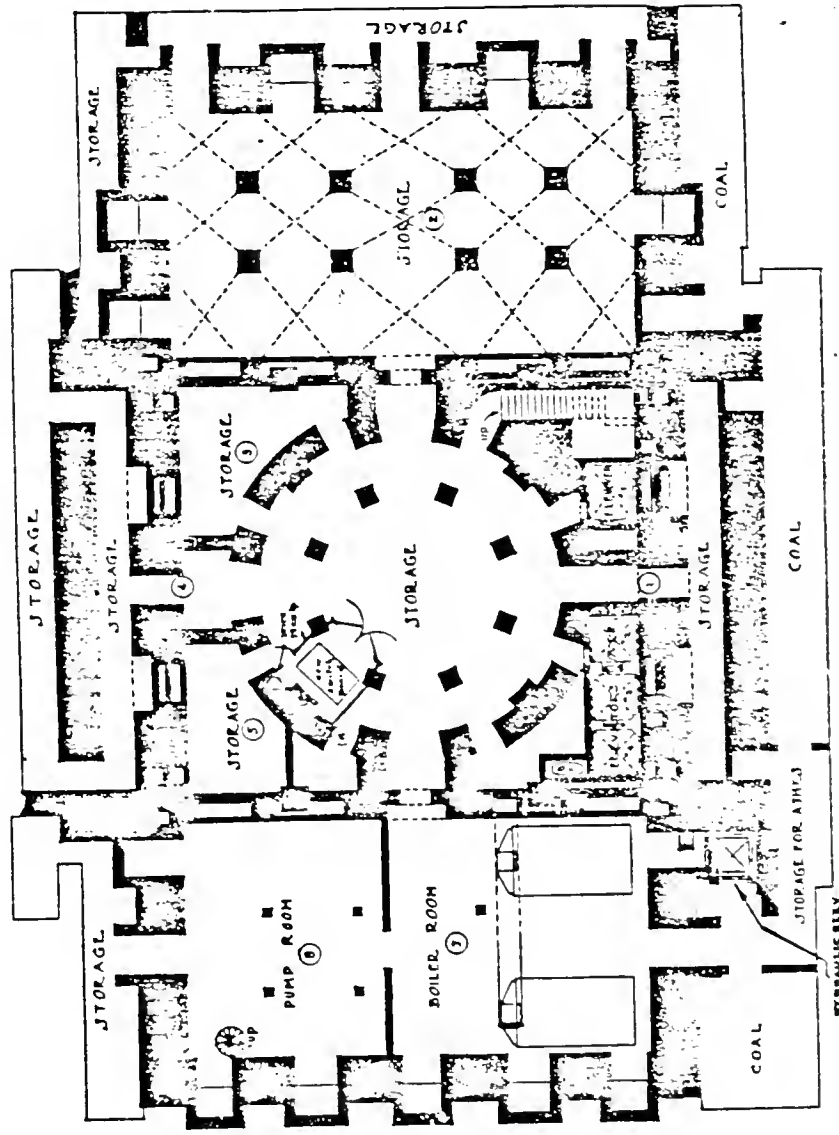
15. Circular staircase (only staircase) from
25th floor - observation floor.

CUSTOM HOUSE TOWER

Photo by R. Dennis - July 1986



16. Typical interior view of floors 26 and above showing the only staircase.

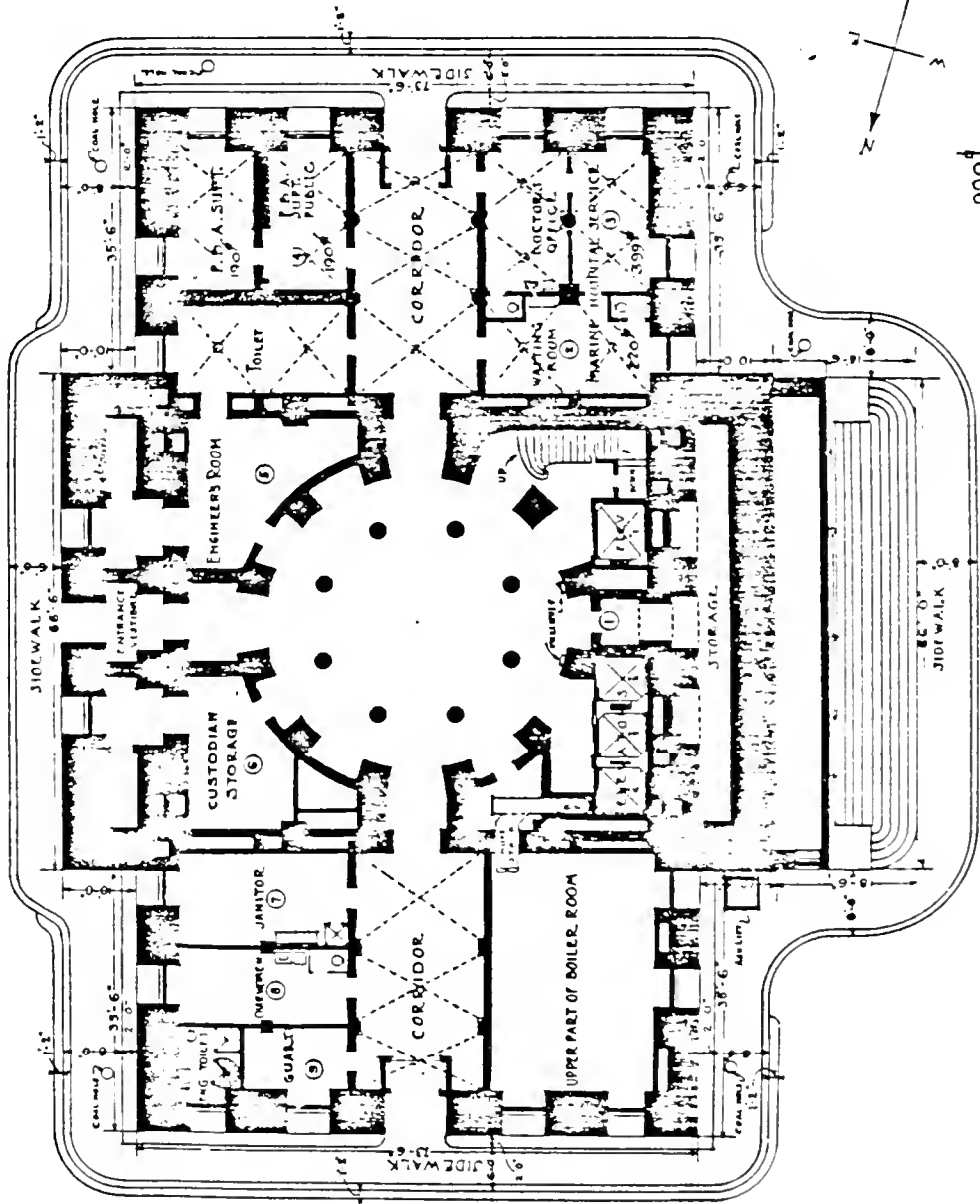


SHOWN NET AVAILABLE SPACE
EXCEPTING BASEMENT

SUB-BASEMENT PLAN
U.S. CUSTOMS

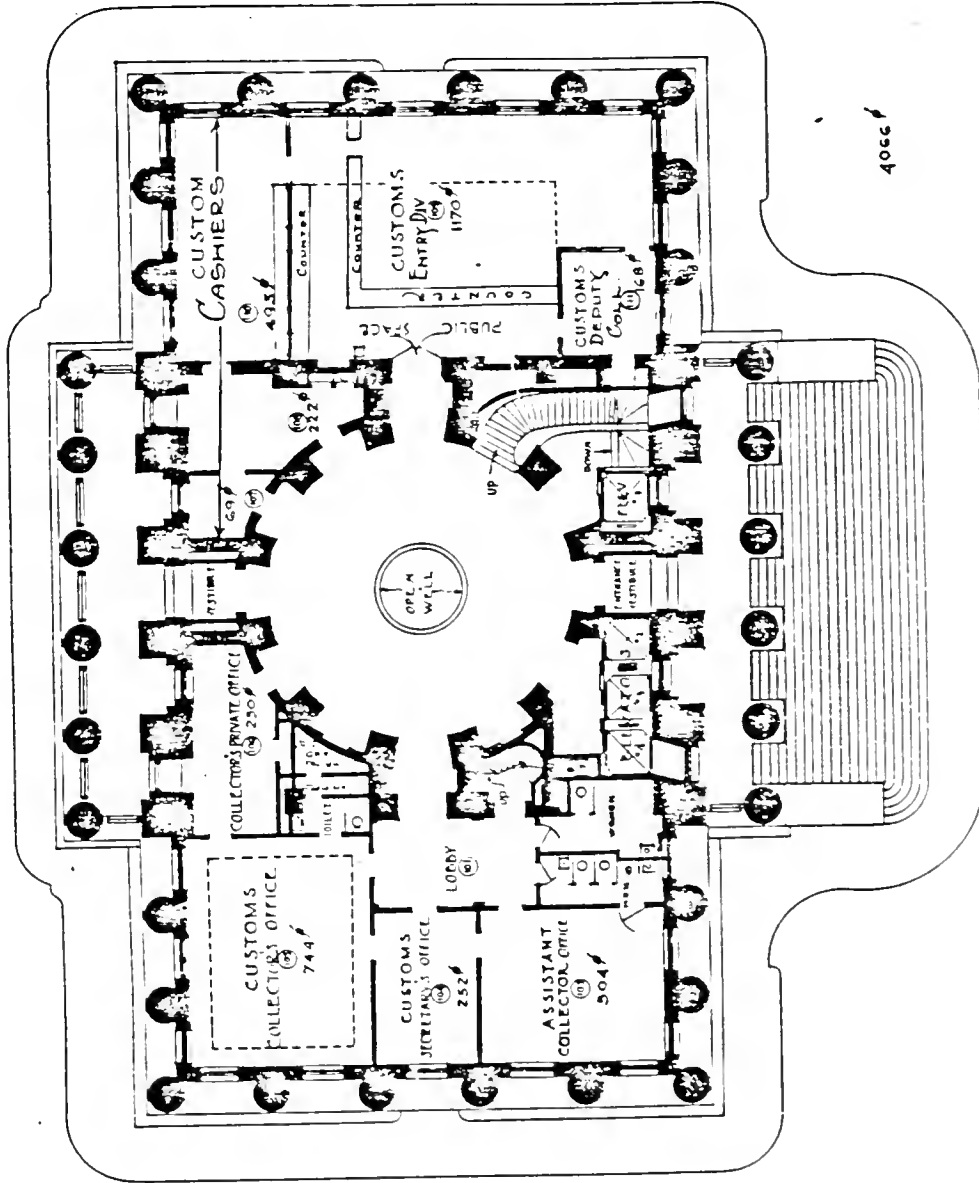
SCALE
1" = 10'-0"

EXTENSION
UNITED STATES CUSTOM HOUSE
BOSTON, MASSACHUSETTS
PLANNED BY STEPHEN ARCHITECTS, BOSTON



BASEMENT PLAN
U.S. CUSTOMS AND MARINE HOSPITAL SERVICE

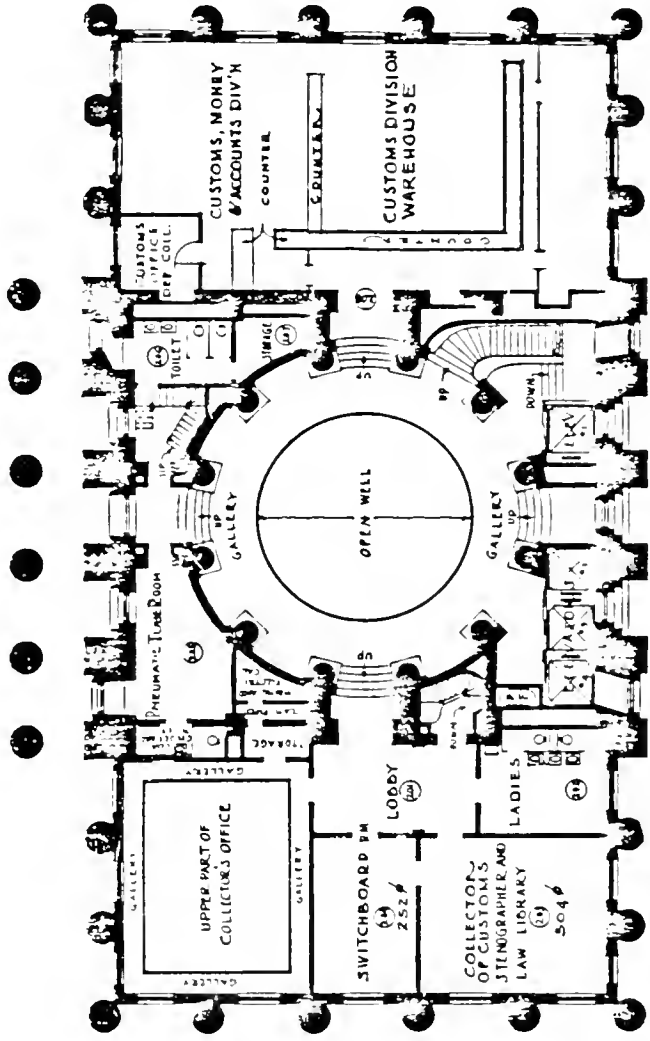
3 CAL
 46-1-0
 EXTENSION.
 UNITED STATES CUSTOM HOUSE
 BOSTON MASSACHUSETTS
 PLACER & STEVENS ARCHITECTS BOSTON



FIRST FLOOR PLAN
U.S. CUSTOMS
TREASURY DEPT.

SCALE 1/4"=1'-0"	3
EXTENSION UNITED STATES CUSTOM HOUSE BOSTON MASSACHUSETTS BY ARTHUR J. STEARNS ARCHITECTS BOSTON	

REVISIONS
NO. 1
DATE 1/15/1911

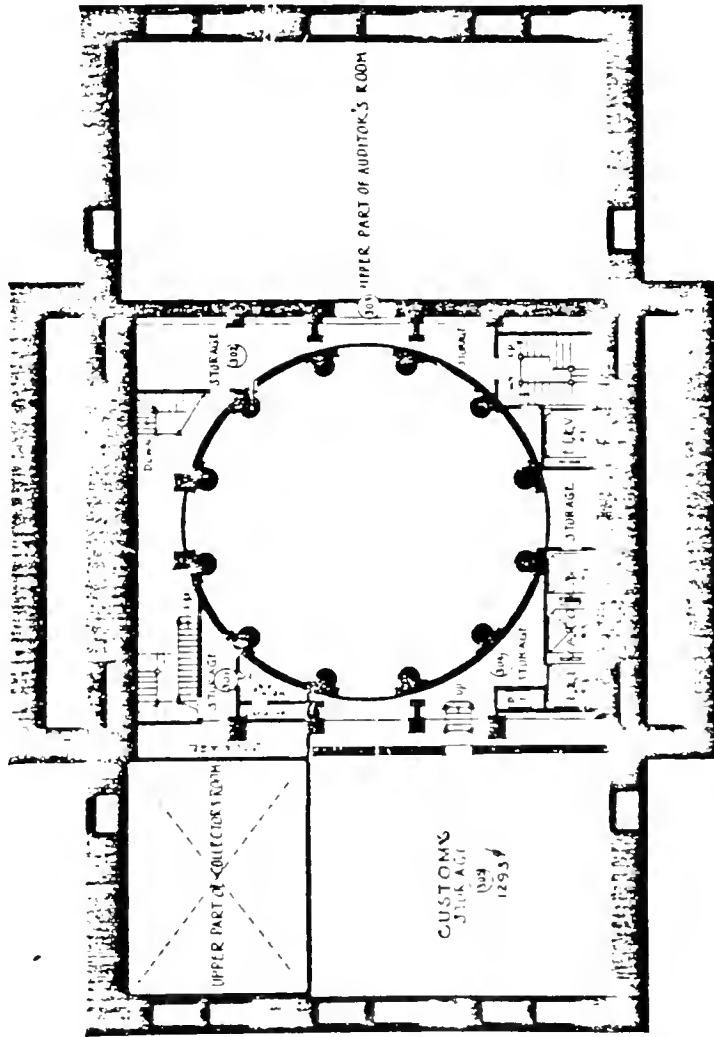


SECOND FLOOR PLAN .
U. S. CUSTOMS

1572

EXTENSION - UNITED STATES CUSTOM HOUSE BOSTON PLANNED BY STEARNS ARCHITECTS BOSTON	SCALE 1/8" = 1'-0"	4
---	-----------------------	---

REVISIONS
NO. 1
NO. 2
NO. 3
NO. 4
NO. 5
NO. 6
NO. 7
NO. 8
NO. 9
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NO. 100

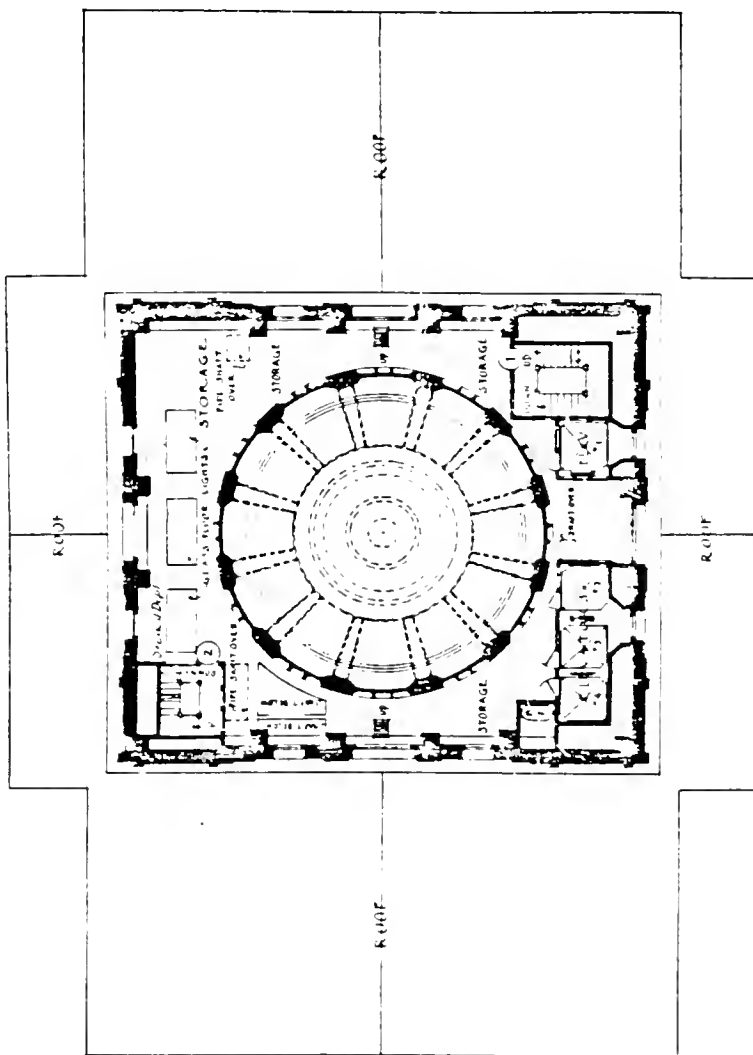


THIRD FLOOR PLAN
U. S. CUSTOMS

1293

SCALE 1/4" = 1'-0"	EXTENSION - UNITED STATES CUSTOM HOUSE BOSTON MASSACHUSETTS FLABODY & STEARNS ARCHITECTS BOSTON
5	RECORDED - 11/18/14 INDEXED - 11/18/14 FILED - 11/18/14 U. S. C.

RECORDED TO 11/18/14



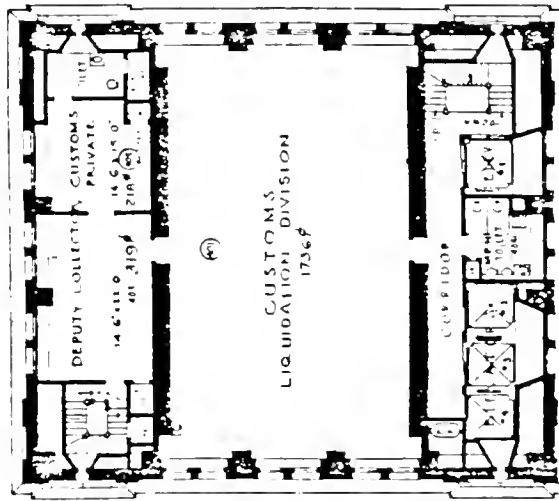
DOME FLOOR PLAN
U.S. CUSTOMS

SCALE 1/8"=1'-0"	6
EXTENSION UNITED STATES CUSTOM HOUSE BOSTON MASSACHUSETTS PLANNED BY STEARNS ARCHITECTS BOSTON	

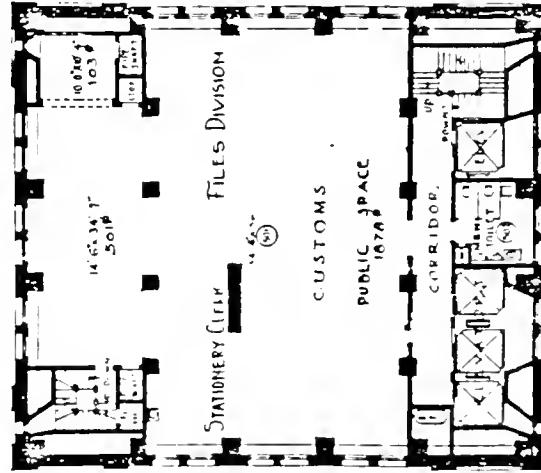
REVISED 6/1/48
BY J. W. B. C.

REVISED 6/1/48
BY J. W. B. C.

CONNECTED TO 11-4-41
BY J. W. B. C.

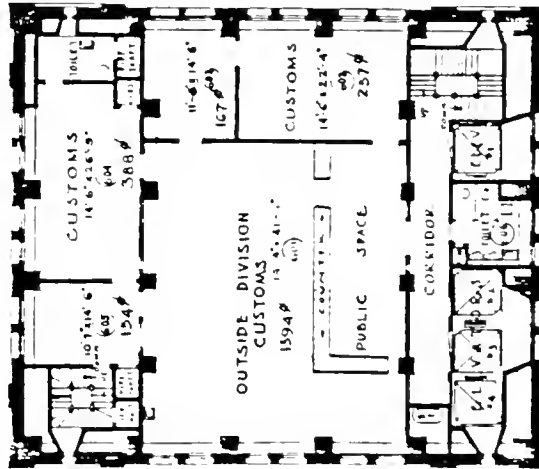


FOURTH FLOOR PLAN
U. S. CUSTOMS



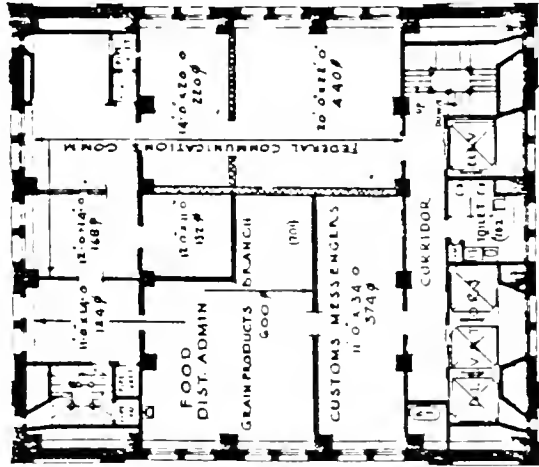
FIFTH FLOOR PLAN
U. S. CUSTOMS

EXTENSION	SCALE 1/4" = 1'	7
UNITED STATES CUSTOM HOUSE BOSTON PLANNED BY STEPHEN ARCHITECTS BOSTON		



SIXTH FLOOR PLAN
U.S. CUSTOMS

2334



SEVENTH FLOOR PLAN
U.S. CUSTOMS

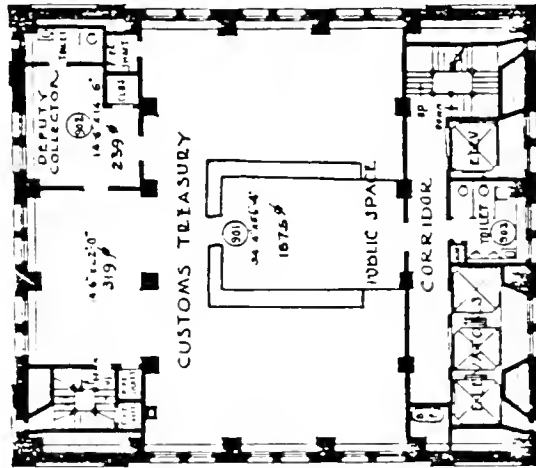
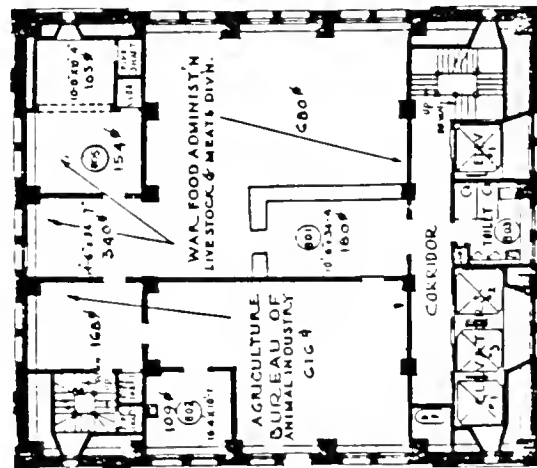
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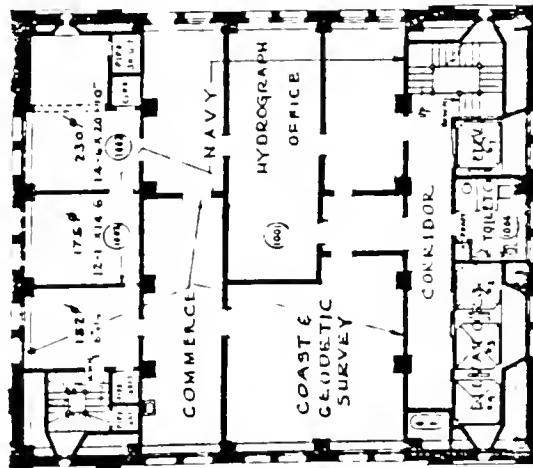
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REVISIONS TO 11/14/43

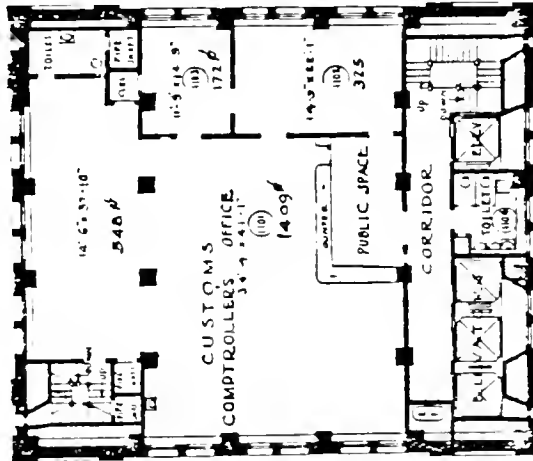


• EXTENSION •
UNITED STATES CUSTOM HOUSE
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 PEABODY & STEARNS ARCHITECTS, DOSTON



TENTH FLOOR PLAN

2338

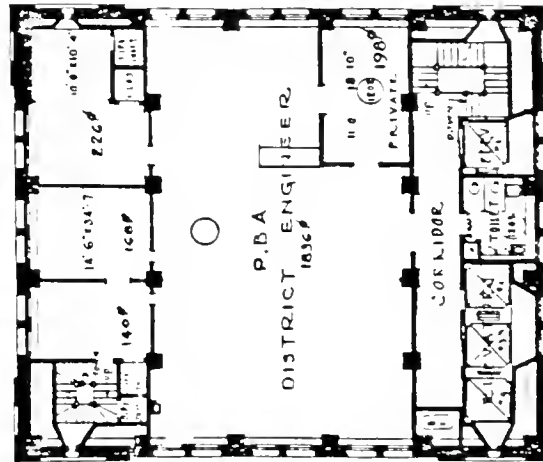


ELEVENTH FLOOR PLAN
U.S. CUSTOMS

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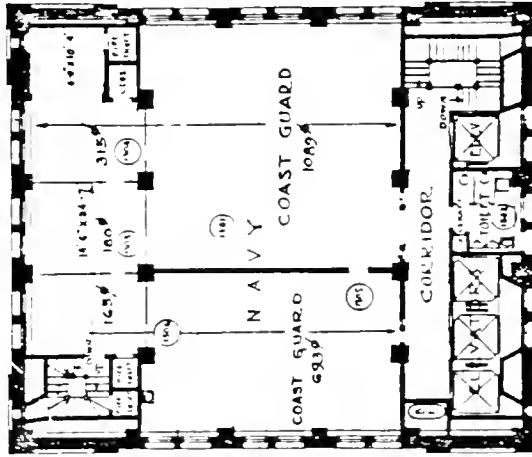
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REV. 5-15-1962, W.P.B. 11/24
CORRECTED TO 11/14/12 KMS:JAL:RB
REV. 5-15-1962, W.P.B. 11/24



TWELFTH FLOOR PLAN

2568

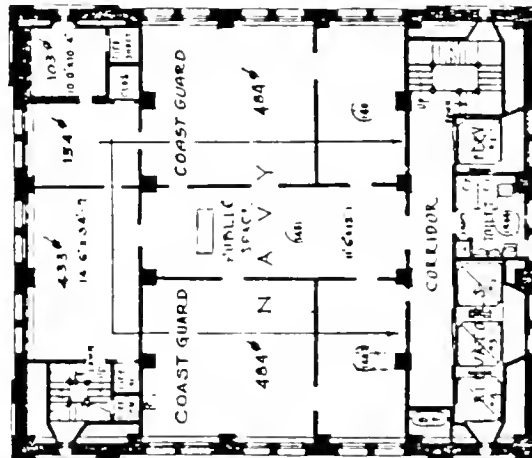


THIRTEENTH FLOOR PLAN

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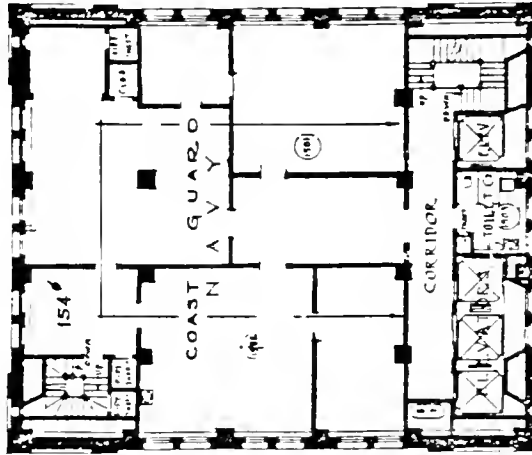
EXTENSION	SCALE
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BOSTON MASSACHUSETTS	11
FRANKLIN G. STEARNS ARCHITECTS BOSTON	

CONNECTION TO 12TH FLOOR 1009



FOURTEENTH FLOOR PLAN

2425

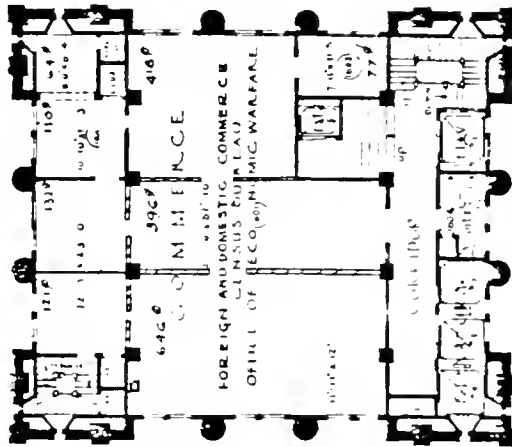


FIFTEENTH FLOOR PLAN

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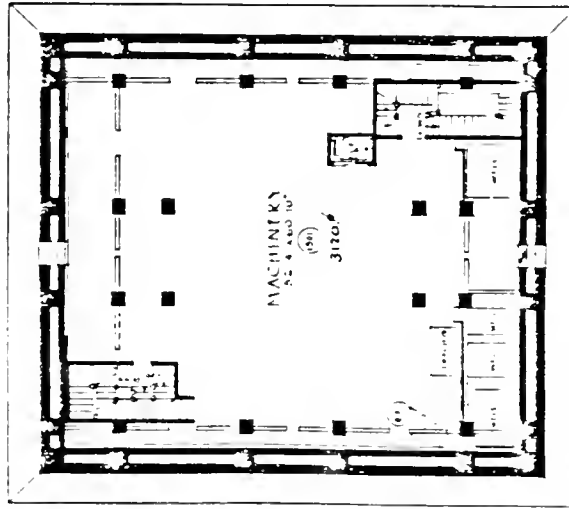
EXTENSION UNITED STATES CUSTOM HOUSE BOSTON MASSACHUSETTS BY ARTHUR G. STEARNS ARCHITECTS BOSTON		SCALE 1/8" = 1'-0" 12
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RECEIVED BY THE ARCHITECTS 6/11/21-204



LIGHTING FLOOR PLAN

1904



NORTH ELEVATION FLOOR PLAN
PARK

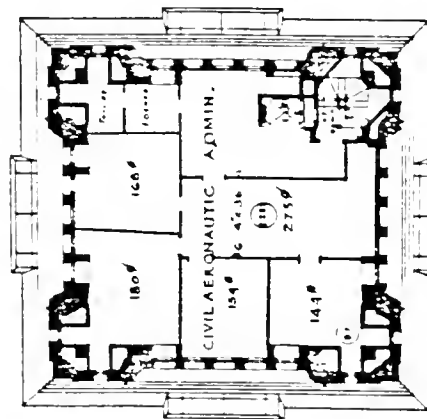
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REVISIONS: 1-1-10

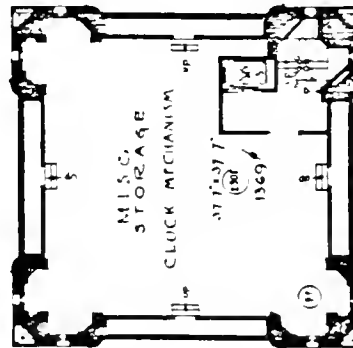
REVISIONS: 1-1-10

REVISIONS: 1-1-10



TWENTY-SECOND FLOOR PLAN

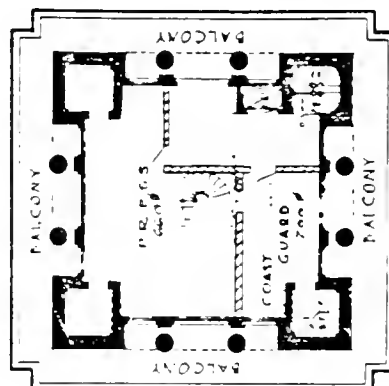
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TWENTY-THIRD FLOOR PLAN

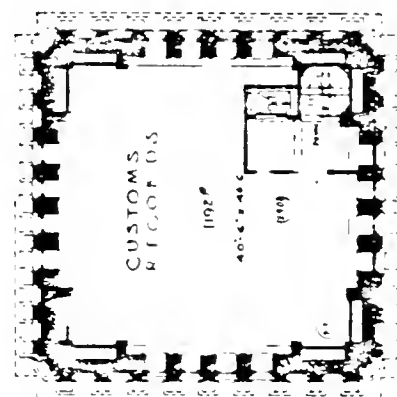
1369'±

UNIT 16-10	EXTENSION
UNITED STATES CUSTOM HOUSE BOSTON MASSACHUSETTS	
PEABODY CITY ARCHITECTS BOSTON	
16	



TWENTY-FIFTH FLOOR PLAN

660



TWENTY-FOURTH FLOOR PLAN

1192

SCALE 1/4" = 1'-0"	17
EXTENSION. UNITED STATES CUSTOM HOUSE. BOSTON MASSACHUSETTS CLARIBY & STEARNS ARCHITECTS BOSTON	



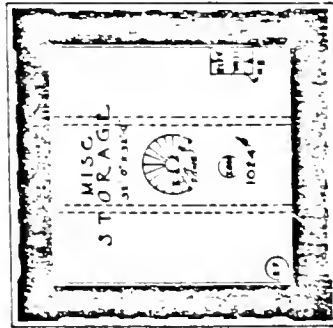
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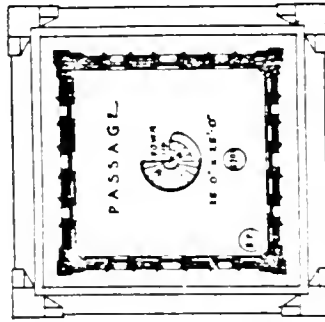
TWENTY-NINTH FLOOR PLAN



THIRTIETH FLOOR PLAN
D.A.R.



TWENTY-SIXTH FLOOR PLAN
D.A.R.



TWENTY-SEVENTH FLOOR PLAN

SCALE 1/4" = 1'-0"	18
EXTENSION UNITED STATES CUSTOM HOUSE BOSTON MASSACHUSETTS PLANNED BY STEPHEN ARCHITECTS BOSTON	

CUSTOM HOUSE TOWERVALUATION RATIONALE

Before deveoping that academic, experiential and technical basis for proceeding with the evaluation of the subject property, it is important in this particular case and in the appraiser's judgment to reveal certain perspectives which the analyst has concluded and which he deems to be important in the understanding of his valuation.

The appraiser is Boston born and bred and has special reason to love the City and has the same fond recollections of the City's skyline when the Custom House Tower was its lone skyscraper. The analyst has had the privileged opportunity to not only observe the evolution of downtown Boston, but to have played a peripheral role in that evolution and development by virtue of many appraisal assignments conducted for the BRA and a thirteen-year stint, the last two and one half years as Chairman, on the City's Building Department Board of Appeal. As an overall consequence he has a strong native son's loyal and emotional response to the extraordinary appealing development achievements of this great City. As an appraiser/analyst on a particular piece of property, in this case the Custom House Tower, it is necessary to expunge those emotions of his own and to resist those of others when viewing the property to be appraised. Everybody loves the Custom

House Tower, everybody knows where it is, everybody loves where it is, everybody loves to remember when it was the only skyscraper, everybody likes the way it looks, everybody loves the surrounding ambience of other delightful 19th century buildings and ways. Nevertheless, and without being cynical or callous, this report must look at it as a piece of real estate. If it is to trade in the open market at arm's length (in resonance to the mandate of the tried and proven definition of market value) then the view of the elements of contribution to value must be clear-eyed, fair, realistic and pragmatic.

With some false modesty the appraiser is wont to say that a great many people know more about real estate value than does he, but the principal component of usefulness which the trained, experienced, professional appraiser brings to any assignment is objectivity. It is the Rosetta stone by which one can see past and through veils and innuendos, hyperbole and rhetoric to the kernel of value, the grail as it were.

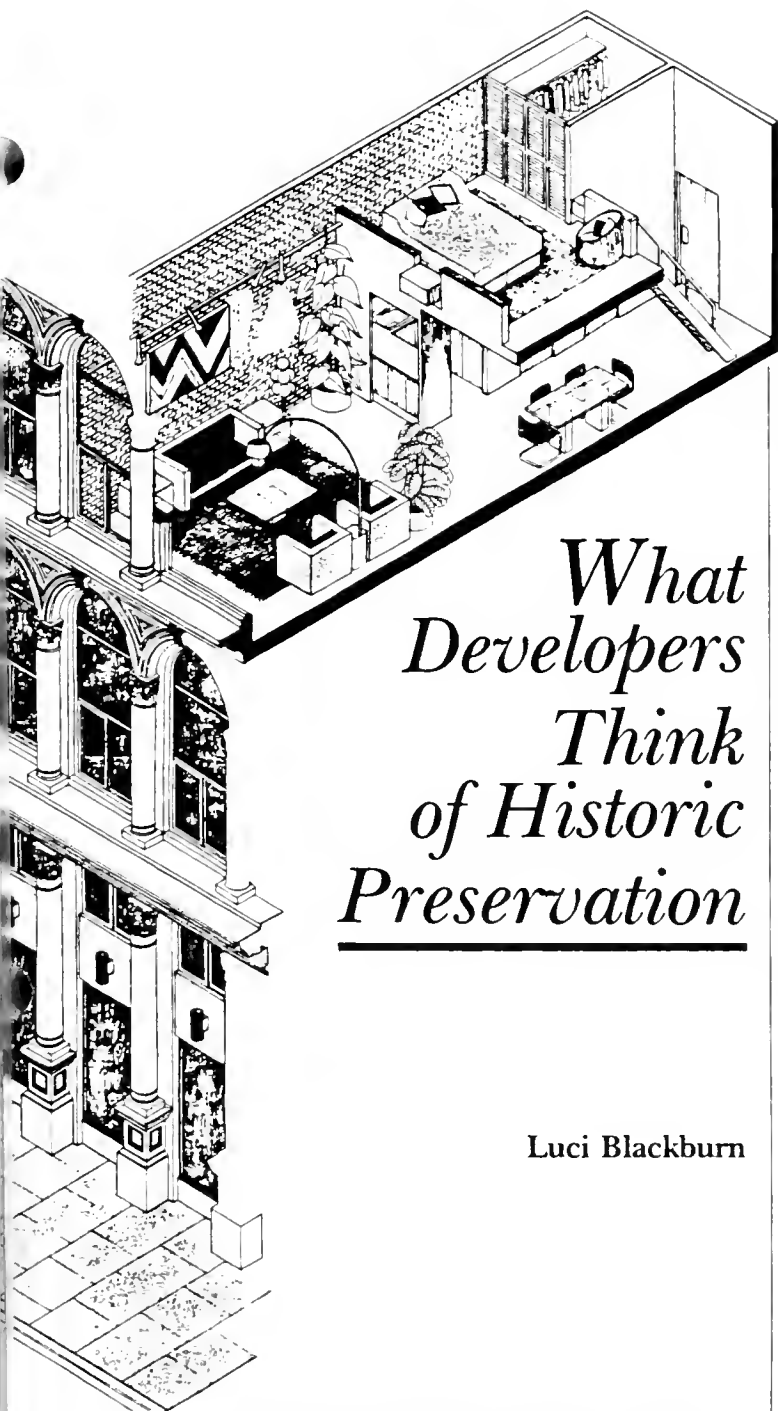
For this property in this City and for most observers such an unsullied objective vision is not easy, nor for the appraiser, but this preamble is the appraiser's proclamation to the effect that he is conscious of the need for such a perspective and is announcing his intention to adhere to such.

With the foregoing the three tests available are those widely recognized, Cost, Market and Income Approaches.

The Cost Approach is one useful only in properties which are new or nearly new or which are special purpose. Obviously the property does not fall into the first category and the second category of special purpose has tended to lose some significant distinction by virtue of the conversion of properties like the Lincoln Wharf from a monstrous monolithic electric generating plant into residential condominiums and a similar conversion on Commercial Street of the former Gerard Freezer plant. The estimation of accrued depreciation for physical, functional and economic reasons would be speculative and the Cost Approach is not deemed valid.

The Market Data Approach is considered in this report. The requirement for this approach is that there be a series of sales which are proximate in time and location and which bear a significant amount of comparability or useful similarity to the property being appraised. The appraiser did not expect to nor did he find such series of sales. The market activities in the City of Boston for rehabilitated older buildings, however, is of some interest to him because it has a tendency to set certain limits of value.

The Income Approach provides the most flexibility in the analysis of the subject property. It makes it possible for the appraiser to deal with the varying conditions on various floors both as to size, vistas, amenities and the like and provides a possibility to make a functional comparison (first-class office space vis-a-vis first-class office space) and to finally translate all of these by virtue of the influences of capital money markets, the quality of the investment and, to the extent it is discoverable, the influence on value of the assets or liabilities imposed on the subject property by virtue of its historic designation and landmark characteristic. As to the extent and effect of these assets and liabilities, the reader's attention is drawn to a copy of an essay published in the 1983 issue of "Urban Land" the monthly magazine of the Urban Land Institute which Institute is recognized as an outstanding organization dealing in great analytic depth with the many facets of real estate development and land use.



What Developers Think of Historic Preservation

Luci Blackburn

Although historic preservation first appeared on a national level in the United States in the 1800s in an effort to save Civil War battlefields and other significant sites, it was not until the National Historic Preservation Act of 1966 that Congress established a nationwide effort to identify and preserve historic structures.

Ten years later, in the Tax Reform Act of 1976, Congress first used the Internal Revenue Code to encourage private investment in preservation. It then expanded the historic preservation program through the Historic Preservation Act Amendment of 1980, and revised and enhanced tax incentives for rehabilitating old and historic buildings as part of the Economic Recovery Tax Act of 1980.

Soon after, the Advisory Council on Historic Preservation commissioned the National Trust for Historic Preservation to conduct a study on how federal tax laws—including

the new 25 percent investment tax credit enacted in 1981—affect efforts to preserve historic properties. The Trust's report, *Federal Taxation and the Preservation of America's Heritage*, formed the basis of the Advisory Council's October 1983 report to the President and Congress, entitled *Federal Tax Law and Historic Preservation*.

As part of the Trust study, a survey of developers was undertaken to collect information on attitudes toward historic preservation and the existing system of tax incentives. Using information partially supplied by the Urban Land Institute, the Trust compiled a list of developers or persons associated with land development, including both those involved in and those not involved in historic rehabilitation projects, with a special category for developers who have never been involved in any type of renovation. Peter D. Hart Research Associates, Inc., a Washington, D.C.-based research firm, conducted the survey through telephone interviews with a select number of developers. The relevant findings of these interviews are the subject of this article.—
Editor

Historic preservation has clearly grown in popularity. In a recent survey of 421 developers—conducted by Peter D. Hart Research Associates—61 percent of the respondents indicated that the rehabilitation of historic properties appealed to them "a lot," and another 23 percent said it appealed to them at least "a little." However, not all developers agree. Some 13 percent of the developers surveyed found historic preservation "not at all" appealing, and of those who indicated they had never been involved in rehabilitation of any sort, 23 percent found it unappealing. Further examination revealed a distinct dichotomy between those actually involved in historic rehabilitation and those not.

Who Is Involved?

According to the survey, which identified 207 persons involved in historic preservation, the majority are private individuals, with average yearly incomes of less than \$100,000. They develop fewer than five projects a year, each with an average value of less than \$100,000. Less than 25 percent of their projects over the last six years were in new construction. The most unlikely candidate, however, is the large developer who has an average yearly income of over \$1 million and develops more than five projects a year valued at over \$1.5 million each. The majority of those persons indicated that more than 75 percent of their work over the last six years had been in new construction. Accordingly, 70 percent of the respondents indicated that new construction had great appeal, while only 30 percent of those who had been involved in historic rehabilitation found new construction appealing.

The reasons developers most often cited for undertaking historic rehabilitations were related to eco-

Figure 1
Respondent Profile

	All Respondents Involved in Historic Rehabili- tation	Not Involved in Historic Rehabili- tation
Average yearly income		
Less than \$100,000	46%	10%
\$100,000-\$1 million	16%	29%
Over \$1 million	11%	34%
Number of projects per year		
Less than 5	89%	43%
5-10	5%	27%
More than 10	6%	30%
Average project size		
Less than \$100,000	44%	14%
\$100,000-\$1.5 million	40%	35%
Over \$1.5 million	8%	42%

Source: *A Survey of Attitudes Toward Historic Preservation*, Peter D. Hart Research Associates, Inc., August 1982

nomics. They noted that historic structures were usually less expensive to acquire, well located, highly marketable either through sales or rentals, and generally profitable. On the other hand, more than half of the respondents noted more personal reasons for initiating projects, such as their interest in the aesthetic or historic value of structures, or a desire to preserve the overall historic nature of a neighborhood or community. A significant number mentioned the personal satisfaction and the pride of ownership they derived from successfully completing a renovation. Others found a particular building or structure personally appealing and/or located in an area ripe for development.

The single most frequently mentioned reason for undertaking historic preservation projects, however, was the 25 percent federal investment tax credit available for the substantial rehabilitation of income-producing buildings either listed in the National Register of Historic Places or determined significant to a historic district. Forty-three percent of all respondents recently involved in historic rehabilitation indicated they would not have undertaken the project without this tax incentive, though only 12 percent indicated it was the most important factor in

their decision, and almost none mentioned it as the sole reason for undertaking a project.

Survey respondents were also asked to evaluate two other types of tax options that would permit: 1) accelerated recovery of capital costs over a 15-year period, or, 2) a 20 percent tax credit for substantial rehabilitation of a 40-year-old building as a non-historic (noncertified) structure. Slightly less than half of all respondents—60 percent of those involved in historic rehabilitation projects—preferred the existing 25 percent credit. However, only 36 percent of those not involved in historic rehabilitation projects selected the 25 percent credit. It might be inferred from this that the extra five percent credit offered for historic properties is not enough for some developers to warrant going through the process of registering their buildings as historic properties.

Respondents were also asked about their awareness of any tax disincentives for demolishing old buildings. Their responses indicated that current disincentives are not accomplishing their objectives. Seventy-eight percent of those not involved in historic rehabilitation were not even aware of any disincentives for tearing down old buildings. The less than five percent who were aware considered them a major influence; but obviously, tax disincentives as a method for encouraging rehabilitation need further examination and revision.

Why They Are Not Involved

Thirteen percent of the developers interviewed had never been involved in rehabilitation of any type, and another 51 percent had had no recent experience with historic rehabilitation. When those who had never been involved were asked to explain why, they expressed a definite lack of personal interest or social commitment to historic preservation. Only 18 percent felt personal satisfaction from historic rehabilitation, and only 23 percent felt it had social value. More than half of the respondents said that they specialized in new construction and lacked

Figure 2
**Reasons for Initiating a
Historic Rehabilitation Project**

	All Respondents
Aesthetic/historic value	51%
Tax incentives	40%
Physical structure/location	37%
Economics/good investment/ marketing	33%
Personal satisfaction/pride of ownership/prestige	28%

Source: *A Survey of Attitudes Toward Historic Preservation*, Peter D. Hart Research Associates, Inc., August 1982.

Figure 3
Preferred Tax Option

	Accel. Cost Recovery	25% Credit	20% Credit
All respondents	22%	48%	19%
Respondents involved in historic rehabilitation	15%	60%	15%
Respondents not involved in historic rehabilitation	19%	36%	23%

Source: *A Survey of Attitudes Toward Historic Preservation*, Peter D. Hart Research Associates, Inc., August 1982.

the interest and/or expertise to rehabilitate old structures. Some indicated that the work and red tape associated with the rehabilitation process were not worth the trouble to them, and others felt that rehabilitation was too risky because of high costs and the inability to predict expenditures accurately.

Developers also cited lack of opportunity as another major reason for not undertaking projects. In some areas of the country, particularly western regions, respondents felt the number of older structures suitable for rehabilitation was limited, or that the market for these buildings was poor. Subsequent examination of the geographic location of developers involved primarily in historic renovations showed only seven percent in the Pacific Northwest and the West.

Major Issues

Those previously involved in historic rehabilitation projects were highly satisfied with the overall results: the projects generated civic pride and good public relations, while the developers benefited from tax credits and profitable locations. However, developers of nonhistoric rehabilitation projects, which often lacked the above advantages, were considerably less satisfied. Respondents not previously involved in his-

Figure 4
**Reasons for Not Initiating a
Historic Rehabilitation Project**

	All Respondents
Lack of opportunity	44%
Lack of interest/expertise	30%
Uneconomic/risky	29%
Specialize in new construction/larger projects	28%
Too much red tape	9%

Source: *A Survey of Attitudes Toward Historic Preservation*, Peter D. Hart Research Associates, Inc., August 1982.

toric preservation were highly dissatisfied with several important aspects of the rehabilitation process:

- Thirty-nine percent of all respondents (30 percent of those previously involved in historic preservation and 50 percent of those not) found financing a problem of historic rehabilitation. The options available and actually used were limited. According to survey responses, bank loans and business partners were the only two major sources of financing used. Equity syndication, federal grants and subsidies, Industrial Development Bonds, and insurance company loans provided financing for less than 20 percent of the users surveyed.
- Fifty-seven percent of the respondents disliked the fact that they could not predict accurately the costs of historic rehabilitation. The potential for cost overruns and the resulting uncertainty contribute to the difficulty in obtaining financing.
- The bureaucratic delays involved in the required certification process, and the restraints of the certification requirements themselves have caused serious problems in the past. Respondents cited as drawbacks the countless public agencies one has to deal with, and their lack of knowledge and slowness. Further, a significant number of respondents considered as major obstacles to development two provisions under the Economic Recovery Tax Act of 1981. These must be met before a rehabilitated building can become eligible for tax credits. First, nearly one-third of the developers saw a major problem in the substantial minimum expenditure requirement, which states that rehabilitation expenses must exceed the taxpayer's adjusted cost basis in the building. Another third felt that this was at least a minor problem. Second, almost half of the respondents felt the provision requiring that 75 percent or more of the exterior walls be retained as exterior walls in the renovation projects created a problem.
- The inherent problems developers encounter when they work with older buildings were other disadvantages mentioned by survey respondents. Fifty percent were dissatisfied with the lengthy time schedule and difficulties of construction. Lack of appropriate materials, inaccurate floor plans, unexpected structural problems, difficulties with energy efficiency, trouble meeting building and historical codes, and the lack of qualified craftsmen were a few specific problems noted.

These problems must be addressed in order to encourage the restoration of historic buildings. The availability and promotion of information useful to developers have obviously been limited. Lists of experts and specialized craftsmen to help in estimating costs or locating sources of financing are helpful, as is assistance in dealing with bureaucratic requirements and in taking advantage of the favorable tax incentives. Historic preservation organizations can play an important role in disseminating information.



Developers Discuss Historic Preservation

Many ULI members have been involved in historic rehabilitation projects throughout the United States. To supplement this month's article on "What Developers Think of Historic Preservation," Urban Land contacted five ULI members involved in historic preservation to solicit their opinions. The questions they were asked to consider were: Why are large developers reluctant to get involved in historic rehabilitation projects? What are the problems? Have federal tax incentives encouraged rehabilitation? The following are their comments.—Editor

Dana H. Crawford, managing general partner, Larimer Square Associates, Denver, Colorado.

There seem to be two major reasons why large developers don't want to get involved in historic preservation.

First, most developers don't want governmental interference. The strict regulations on the renovation of historically certified properties and the bureaucratic paperwork involved make historic preservation less appealing to companies with other profitable options. Second, large developers are geared up for large-scale development. They don't want to be involved in small projects. To do historic preservation on a large scale requires considerable land assemblage because most structures are small and individually owned. And in general, developers prefer to stay away from assemblage.

The tax benefits of historic rehabilitation are attractive to developers, but most feel a project should stand on its own without tax credits. Old buildings are well liked by the public and are good income generators. A few renovations can turn an entire declining area around, creating more opportunities for development. However, many developers feel something new ultimately generates more income than a rehabilitation.

As far as attracting more large developers to historic preservation, I personally feel it's great

The tax benefits of historic rehabilitation are attractive to developers, but most feel a project should stand on its own without tax credits.

that small developers are the major source behind rehabilitations. Without it they might be squeezed out of the development market completely.

Wayne Ratkovich, president, Ratkovich-Bowers, Inc., Los Angeles, California.

A great many historic preservation projects have been done on a small scale by individuals like architects, designers, accountants—

not professional developers. Developers tend to have established patterns. They specialize in a particular product and don't like to break these patterns. This does make good business sense. But because of this they may choose not to become involved in historic rehabilitation projects.

Historic rehabilitation is full of surprises. It's very management intensive. You're not dealing with a clean piece of paper as you are when beginning a new construction project. Unpredictability of costs is a clear characteristic, but after doing a few projects, we've learned to investigate thoroughly before starting. We use intuition and allow for a very big contingency fund. Other problems like the red tape, paperwork, and government regulations involved with certified properties are also drawbacks, but they can be dealt with. Actually, you hear all about these problems, but most complaints come from those developers who haven't tried rehabilitation.

Our company was involved in historic rehabilitation before the tax credit was available, so that was not our reason for undertaking these projects. We have always felt that there was a good market for rehabilitated properties and that, though the tax credit is important, historic rehabilitation is still profitable on its own. The tax credit is, though, particularly attractive to individuals who are interested in syndication.

There may be a lack of awareness of the existing opportunities and profitability in historic rela-

bilitation. But if we continue to demonstrate to the development world the success of these projects, more developers may become involved in the future.

Glenn W. Buzzard, vice president-real estate, Northwestern Mutual Life Insurance Company, Milwaukee, Wisconsin.

Now, as in the past, it is more difficult to arrange financing for rehabilitation than for a new construction project, because lenders have more confidence in cost projections for new construction. Unknown costs that spring up in the middle of rehabilitation work are the major problem in accurately projecting costs. Unfortunately, you don't really know what you're up against until you start working, but in general, rehabilitation projects always cost more than you think. Of course, a certain amount of specialized expertise in historic preservation helps, but the actual level of expertise needed is no different from the level needed for other forms of development.

Our company has been involved in historic preservation because we've found good buildings in good locations. It's possible that someone in our management has a personal interest in rehabilitating historic properties, but for the most part, decisions have been based on the economics of the project. It's been more economical to renovate than to rebuild. This was true even before the advent of the federal tax incentives, and we still judge a project on its own merit.

I believe developers are well aware of the potential of historic rehabilitation, and they certainly know all about the tax credits. However, some of the large developers may not get involved because many historic renovation projects are so small that for the same expense a developer can do a new project, probably with fewer problems. However, as more successful projects come to the forefront, more interest should develop.

Arthur P. Ziegler, president, Cranston Development Corporation, Pittsburgh, Pennsylvania.

I don't necessarily believe it's true that mostly small developers are involved in historic preservation. But it's true there aren't that many large-scale complexes available for rehabilitation. Developers who do get involved in the reuse process do so for two reasons: they like old buildings, or they like the 25 percent investment tax credit. In the end, though, you really have to like or feel for historic preservation to want to carry on.

Historic rehabilitation also requires that the intensity of commitment be high.

There's been lots of interest in historic rehabilitation due to the tax credit, and without it a lot of the interest would vanish. In many cases, though, developers think the tax credit is a bonus or icing on the cake. It isn't true. On the bottom line, you won't make extra money with the tax credit. Its purpose is to try to compensate you for the expense of the renovation. You need it to break even.

The regulations on how you can develop are so strict when you use the 25 percent credit that it's almost an impediment to development. They make it difficult to create a modern building that the public demands. For example, you can't make windows smaller or lower, and restrictions on hallways and doorways limit tenants' floor areas and increase common areas. Ultimately you have to charge a lower rent.

With new construction there are no surprises, while you just can't predict with old construction. In a project in Richmond, Virginia, we found we couldn't run a straight chase through the building, and in Louisville, Kentucky, we found some of the ribbing running the

wrong way. After doing one project, developers see the problems involved, and many won't do another.

In the end, I'm not sure you can ever be fully compensated for the problems of historic rehabilitation. Another five percent tax credit would help a lot. Right now the 25 percent is too close to the 20 percent credit for noncertified rehabilitation.

Brad Griffith, executive vice president, Leggatt McCall & Werner, Inc., Boston, Massachusetts.

Typically, historic preservation projects are not large in scale; in Boston they range between \$1 and \$5 million. For developers who do a lot of work, \$5 million is generally the smallest-size project they will consider. Historic rehabilitation also requires that the intensity of commitment be high. The many problems encountered in a rehabilitation means somebody in the company has to be interested in historic preservation to keep doing it.

The fear of predicting construction costs and time is a major drawback. It's very tough to predict costs in rehabilitation, and especially with historic properties. But the more projects you do, the easier it becomes. You have to build on experience. Though it's been mentioned that there is also a problem securing financing for rehabilitation projects, at least in Boston financing is not particularly hard to get.

For our company the 25 percent investment tax credit is an added extra. A development deal must fly on its own, before the tax credit, to be considered. And the benefits of historic renovation are generally good enough by themselves for us to get involved. More tax credits aren't what's needed to attract more developers. I guess education is the most important factor. As time goes by and awareness increases, so will involvement. ■

CUSTOM HOUSE TOWER

SPECIAL APPRAISAL DISCLAIMER

Following immediately herein are pages setting forth certain "Instructions for Appraisers" by which the analyst is absolutely guided. Those instructions, however, contain certain references or mandates which need some modification or explanation as follows:

Allowable Uses

4. This is a requirement which quite obviously will be determined after the appraisal is completed. Consequently, the appraiser cannot estimate the costs of this complimentary work to public land in the vicinity of the Tower. Whatever the work is and the cost of it will more likely become a part of the developer selection process rather than the evaluation of the subject property.

Historic Rehabilitation Stand

5. Copies of each of these governing "standards" can be found at addendum with the Boston criteria still in draft form.

Public Health and Safety Guidelines

6. A sprinkler system is already installed and masking or relocating it will be considered by the appraiser.
8. This is an item which necessarily comes after the completion of the assignment. The appraiser is not charged with nor does he have the expertise for specifying, "other public health and safety measures" which specifications will also become a part of the developer selection process.

Urban Design Guidelines

- 9 and 10. It is the appraiser's understanding that the Boston Edison Company intends to make a community benefit contribution of the repair of the clock and the installation of appropriate illumination of the building, all as a public relations effort.
11. Another item which must follow the conclusion of the appraisal report and be dealt with in either the acquisition or the developer designation processes.

Because of time constraints and the scope of the assignment it was necessary for the appraiser to make certain assumptions. One of the most important of these is to the effect that all persons having an interest and jurisdiction in this matter in the entire chain from GSA through to a selected developer will wish to see the project go forward. Consequently, all necessary zoning and building law relief, except that bordering on sheer unacceptable health and safety standards, will be granted. This is especially important in consideration of the egress system which, because the subject property is really two buildings, has serious aberrations in the lower reaches of the structure within the original building layout of the Greek temple section - see plans.

INSTRUCTIONS FOR APPRAISERS

The appraiser is requested to appraise the value of the Custom House property located at McKinley Square in downtown Boston. In assessing the property's fair market value, the appraiser is instructed to consider that the existing buildings must be retained and redeveloped. No demolition of the existing structure will be allowed. The appraiser is further instructed that future use of the property shall be governed by the following use, rehabilitation, safety, and design guidelines:

Allowable Uses

1. The original Custom House at the base of the tower shall be maintained as a public space with cultural or other non-commercial activities which are for the use of the general public.
2. The observation deck shall be made available for limited public access.
3. The tower space may be put to use for office, residential, or hotel use. However, no portions of the buildings shall be sold for condominium ownership.
4. Complementary to the Custom House, public land in the immediate vicinity of the tower shall be improved by the developer to increase use of the area by pedestrians, rather than solely for parking.

Historic Rehabilitation Standards

5. The building shall be rehabilitated to historic landmark standards to be incorporated in the anticipated landmark designation for this property. Such standards shall include: (1) the Secretary of the Interior's "Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings", (2) the Boston Landmarks Commission's General Standards and Criteria, and (3) specific standards and criteria for the Custom House to be established by the Boston Landmarks Commission.

Public Health and Safety Guidelines

6. Installation of a sprinkler system shall be required.

7. Facilities to improve handicapped access shall be required.
8. Other public health and safety measures may be specified after a survey of the building.

Urban Design Guidelines

9. The clock shall be repaired and maintained.
10. The building shall be appropriately illuminated.
11. Site area improvements shall be required. Specific guidelines will be developed by the Boston Redevelopment Authority.

Attachments: Secretary of the Interior's "Standards for
Rehabilitation and Guidelines for Rehabilitating
Historic Buildings"
Boston Landmarks Commission's "General Standards
and Criteria"
Boston Landmarks Commission's draft "Specific
Standards and Criteria"

CUSTOM HOUSE TOWERMARKET DATA ANALYSIS

The appraiser is generally familiar enough with the activities in downtown Boston as to office buildings to suggest a prejudgment as to the applicability of this Market Data Approach. The Approach is grounded in the Direct Sales Comparison Technique which has a requirement that there be a series of sales which are comparable or at least usefully similar and that such a series be proximate in time and location. That criteria cannot be met in the case of the subject. It is literally incomparable although the appraiser is advised that a building in Denver and another in New York very much resemble this structure. Obviously those properties would fail in the comparison by virtue of locational differences.

Nevertheless, the appraiser felt constrained to at least report several recent sales which serve as guides towards certain limits of value, i.e., price for a "shell", price paid for a rehabilitated old structure and, interestingly enough, the price paid for the same type of building before it had been refurbished. In any event when the data is taken together it establishes a range of value against which the final conclusion of value arrived at by another test in this report can be gauged as to its conformity with the general market parameters as established by

sophisticated buyers and sellers who are active investors in the office market in downtown Boston especially older buildings.

Documentation concerning the sales utilized can be found later in this report but at this point a statement of salient facts might assist the reader.

<u>Sale No.</u>	<u>Location</u>	<u>Date</u>	<u>Area/SF GBA*</u>	<u>Price</u>	
				<u>\$/Total</u>	<u>/ \$/PSF</u>
1.	83-85 State St.	4/86	9,500	\$ 2,000,000	/ \$211.00
2.	161-175 Devonshire St.	12/85	59,000	14,500,000	/ 245.76
3.	100 Franklin St.	12/85	98,839	15,000,000	/ 155.00
4.	65-71 Franklin St.	6/85	24,000	2,500,000	/ 104.00
5.	197-199 State St.	1/85	16,250	2,400,000	/ 147.69
6.	181-183 State St.	1/84	21,700	3,200,000	/ 147.46

The raw range of indicators in these sales is from \$100.00 PSF to \$246.00 PSF plus or minus. It should be noted that the low end of the range is for a shell while the upper end of the range is for a building which has extraordinary architectural touches. Instructive in these sales are #5 and #6 insofar as they have the same location, are of the same construction and general size but one, Sale #5, was in an old unfinished state and is now being rehabilitated while Sale #6 is a sale, one year earlier, but of a property that was refurbished. The appraiser is interested to note that the unit price is almost exactly the same, i.e., \$147.69 and \$147.46. From this relationship of these two properties it

may be concluded that the market was moving rapidly wherein an unrehabilitated building sold for the same unit as a rehabilitated building after only the expiration of one year. Further, the mortgage data relating to Sale #5 suggests that the rehabilitation costs may be in the order of a million dollars which equals about \$68.00 PSF. Sales #5 and #6 are also useful because the appraiser was able to glean important rental and operating expense information from these properties.

The assignment for the Custom House Tower carries with it a requirement to estimate the value contribution only of those portions which are going to be rentable. When that exercise was completed (see Income Analysis), the resultant final rehabilitated answer represents \$210.46 (\$10,828,161 divided by 51,450 SF), a unit which, in the appraiser's judgment, is clearly validated by the thrust if not the specifics of this general market data.

To the extent it may assist the reader the following mathematical relationships of value and areas apply:

$$\begin{aligned} &\text{Total Future Value}/\$10,828,161 \\ &\$/\text{PSF GBA (123,150 SF)} = \$88.00\text{+ PSF} \\ &\text{PSF Leaseable (51,450 SF)} = \$210.46 \text{ PSF} \end{aligned}$$

$$\begin{aligned} &\text{Net Present Value}/\$4,000,000 \\ &\$/\text{PSF GBA (123,150 SF)} = \$32.50\text{+ PSF} \\ &\text{PSF Leasable (51,450 SF)} = \$77.75 \text{ PSF} \end{aligned}$$

PRIME INTEREST RATES

First National Bank of Boston (Bank of Boston)

01/08/51	2.50	01/13/75	10.25
12/19/51	3.00	01/12/76	7.00
04/28/53	3.25	06/07/76	7.25
03/18/54	3.00	05/17/77	6.50
08/04/55	3.25	01/10/78	8.00
04/13/56	3.75	06/30/78	9.00
08/07/57	4.50	06/19/79	11.50
01/27/58	4.00	02/20/80	15.75
05/18/59	4.50	06/05/80	13.00
08/24/60	4.50	01/02/81	20.50
12/06/65	5.00	06/03/81	20.00
03/10/66	5.50	01/ /82	15.75
01/27/67	5.75	06/ /82	16.50
04/22/68	6.50	01/01/83	11.50
01/07/69	7.00	01/01/84	11.00
03/26/70	8.00	01/01/85	10.75
01/07/71	6.50	01/01/86	9.50
01/19/72	4.75	07/01/86	8.50
02/27/63	6.25		
06/22/73	7.75		
02/01/74	9.50		
06/26/74	11.75		

as of July 25, 1986

8.00

Table A - page 4 Quarterly and Annual Totals

Period	No. of Loans	Amount Committed (\$'000)	Loan Amount (\$'000)	Averages				Debt Coverage Ratio	Percent Constant	Maturity (Years/Months)
				Interest Rate (by #)	Interest Rate (by \$)	Loan/Value	Capitalization Rate			
1979 1st Quarter	647	2,565,725	3,966	10.03%	10.02%	74.5%	10.2%	1.24	11.1%	20/7
2nd Quarter	786	3,399,869	4,326	10.23	10.26	74.5	10.4	1.25	11.1	21/5
3rd Quarter	742	2,974,591	4,009	10.45	10.42	73.9	10.6	1.28	11.2	22/1
4th Quarter	462	1,821,356	3,942	10.91	10.95	73.0	10.7	1.27	11.7	21/4
Year	2,637	10,761,541	4,081	10.36	10.36	74.1	10.5	1.26	11.3	21/5
1980 1st Quarter	194	1,021,201	5,264	12.32	12.10	73.6	11.8	1.26	12.8	20/8
2nd Quarter	83	634,865	7,649	13.20	12.95	73.6	12.6	1.27	13.6	17/7
3rd Quarter	214	1,531,289	7,156	12.58	12.40	74.3	12.1	1.27	13.0	18/3
4th Quarter	165	992,934	6,018	13.04	12.90	71.6	12.2	1.28	13.4	16/8
Year	656	4,180,289	6,372	12.69	12.53	73.3	12.1	1.27	13.1	18/6
1981 1st Quarter	155	692,842	4,470	13.90	13.48	72.3	12.8	1.32	14.2	14/3
2nd Quarter	144	1,206,421	8,378	14.28	13.48	69.0	13.0	1.29	14.5	17/8
3rd Quarter	107	916,068	8,561	14.47	14.34	71.4	13.1	1.28	14.7	17/3
4th Quarter	87	446,974	5,138	14.98	14.77	67.4	13.4	1.34	15.2	13/8
Year	493	3,262,305	6,617	14.32	13.90	70.3	13.0	1.30	14.6	15/10
1982 1st Quarter	135	1,098,020	8,133	15.23	14.63	66.2	12.9	1.39	15.5	14/3
2nd Quarter	137	847,589	6,187	15.23	14.74	66.4	12.8	1.36	15.3	12/2
3rd Quarter	139	750,754	5,401	14.75	14.49	64.9	12.0	1.78	15.1	10/0
4th Quarter	260	2,132,089	8,200	13.26	13.30	67.6	11.6	1.30	13.7	9/6
Year	671	4,828,452	7,196	14.36	14.04	66.5	12.2	1.33	14.7	11/1
1983 1st Quarter	285	2,009,854	7,052	12.89	12.85	69.8	11.4	1.30	13.2	8/9
2nd Quarter	334	2,723,891	8,155	12.25	12.28	70.7	11.0	1.26	12.6	10/0
3rd Quarter	328	2,894,789	8,826	12.29	12.29	69.2	10.8	1.28	12.6	9/10
4th Quarter	234	2,317,340	9,989	12.67	12.57	70.5	11.1	1.23	13.1	9/10
Year	1,118	9,965,874	88,439	12.49	12.46	70.0	11.1	1.27	12.8	9/7
1984 1st Quarter	357	3,482,348	9,754	12.59	12.55	70.3	10.8	1.26	12.8	10/0
2nd Quarter	285	3,345,201	11,738	12.97	12.95	68.1	10.5	1.27	13.2	9/10
3rd Quarter	142	2,131,375	15,010	13.40	12.85	72.5	11.2	1.16	13.6	9/9
4th Quarter	354	4,009,911	11,327	12.91	12.90	70.5	10.8	1.22	13.2	9/1
Year	1,138	12,968,835	11,396	12.88	12.81	70.1	10.8	1.24	13.1	9/8

See note at end of Table A.

Quarterly and Annual Totals (cont'd)

Period	No. of Loans	Amount Committed (\$000)	Averages					Debt Coverage Ratio	Percent Constant	Maturity (Years/Months)
			Loan Amount (\$000)	Interest Rate (by \$)	Interest Rate (by %)	Loan/Value	Capitalization Rate			
1985 1st Quarter	528	4,405,871	8,344	12.38%	12.28%	70.0%	10.5%	1.25	12.7%	8/7
2nd Quarter	473	4,973,043	10,514	12.17	11.98	70.8	10.2	1.23	12.4	8/1
3rd Quarter	603	5,234,854	8,681	11.42	11.40	71.5	9.9	1.24	11.7	8/3

Note: Data represent new commitments for future disbursement. Similar data for a smaller sample of companies are available beginning in 1951. Except for the dollar weighted interest rate, averages are based on number of loans for which the data were available. In the latest quarter, interest rates were not available for 19 commitments amounting to \$101.2 million. Rates vary in part with the changing composition of loans as to property type, location, purpose of loans, amortization, call, and prepayment provisions and are particularly affected by such loan

CUSTOM HOUSE TOWERINCOME APPROACH/DATA ANALYSIS

Because the appraisal is dealing with a property where there is no useful actual experience, it is necessary to go into the market to discover what are the reasonable parameters for the assignment and imputation of certain income levels, typical lease and occupancy terms, operating expenses both as to responsibility, kind and costs, information relating to the preparation of space for tenant occupancy (tenant fit-up) and related matters having to do with basic structural rehabilitation/restoration/renovation both as to kind and degree as well as cost. In developing these parameters for the subject, the appraiser asserts that the most instructive way so to do is to look at other projects and see the magnitude and relationship of all of these matters within a cohesive experience. Consequently, the appraiser selected a series of properties where this kind of information could be gleaned, having in mind that income and expense information and arrangements and lease terms among parties is the most sensitive type of material and the most difficult to gather. Nevertheless, the buildings selected are deemed to be totally representative of the kind of competitive space with which the subject must deal.

In this sense the competition is selected so as to include new construction and space as well as moderately old construction and space as well as very old space converted for modern use.

200 STATE STREET

This represents the most modern of competitive market space and is immediately adjacent to the subject therefore bearing all the same locational attributes and liabilities which allows for the appraiser to draw more or less directly from the implications of the information. At the time of the appraisal, July 1986, this property was just structurally completed and in the mid stages of final rent up. Even as the appraiser did his research a 45,000-SF user had been found by the developer and would shortly come under contract. The data in this building is useful because of the strong influence on the whole development brought to bear by the BRA insofar as it was one of its development parcels. Consequently, the treatment of ambient space and the interface of this property with others nearby was all carefully designed, planned and controlled and even the introduction of museum space was mandated subject to certain conditions having to do with achievable rent and whereby the ground lessee could bring the space planned to be a museum into regular commercial occupancy.

This property's basic construction is such that many of the perquisites of first-class office are included in the base area set-up. As a result the fit-up costs for specific tenant occupancy, while relatively high, are still acceptable for new first-class well-located modern office space. The building has a level of parking with 125 cars and the presence and availability

of that parking is of critical importance to all of the tenants who have negotiated. Without it, it is likely that the whole occupancy structure and rental base would have to be significantly modified. The number of spaces is limited to one space to each tenant per 4,000-SF of occupancy - the parking spaces are charged in addition to rent but the availability of space is based on the amount of square feet occupied. Upper floors have enviable vistas and views and those matters are taken into account when considering the rental structure in this building and how that data can be applied to the subject.

The largest tenant occupies three floors of about 66,000 SF where the smallest occupies 1,600 SF.

This is a building in which full services are rendered for the rent except electricity and those services include 24-hour security and office cleaning, etc. based on first-class occupancy. In the lease structure the stop for taxes and operating expenses is \$7.00 with an estimate for taxes, not yet fully determined because of the new construction, at \$3.50.

In this property lease terms are mostly five and ten years with some at twenty and occasionally one at three. In the ten-year leases there is a "kicker" which increases the rent using a formula drawing on the net base rent (gross rent less the \$7.00 stop) times a factor of 1.25. The rents are also based on a generous New York style of measuring leaseable area a factor of 1.11.

The following are salient facts concerning this building and the data deemed useful in this analysis:

<u>Component</u>	<u>Increment</u>
Total Building Area	296,000 SF office/60,000 SF retail
Typical Floor Area	21,358 SF rentable
Rental Range \$/PSF	\$33 - \$41
Expense Stop	\$7.00
Typical Fit-up	\$25.00

183 STATE STREET

This is a property which is utilized because it represents the oldest of rehabilitated property in this section of the City. It also represents property on which there is a very small footprint and therefore very limited rental areas. This is one of several buildings in the famous State Street block and it was the subject of a sale recently which sale is recorded elsewhere in this report, but the price of which was \$3,200,000 which represents \$146. PSF of Gross Building Area (GBA). At the time of the sale the building had been rehabilitated by the former owner, Hamilton Realty/Harold Brown, a well-known sophisticated highly visible commercial developer in Boston. The buyer considers the finish to be Class B, but in good condition and the new owner has negotiated new rentals for this space which negotiations are guidance for the appraiser. It is an elevator building, but it does not have vistas and views of any significance except in an oblique sense from the upper floors. Nevertheless for reasons having to do with noise, dirt and such views are available, the rental ranges trend upward as one considers space higher up in the building. The new owners of this property have not owned it for a sufficient period of time to be certain of the operating expenses, but guidance in this matter is drawn from the other building owned by this same party and in this same block - see 199 State Street below. Rentals in this building

are what as known as "base year taxes" which means that few services are delivered within the structure of the rent except taxes for the base year of the lease. Nevertheless, minimum cleaning including windows and ordinary care of the common areas and the lighting thereof etc. are within the rent with security and other occupancy supports of that nature being at a minimum. The services rendered in this building are not consistent with those expected in first-class prestigious office space. The rental range of the space in this building was confirmed when the appraiser learned of rent at 187 State Street negotiated in 1983 at \$20.00 PSF and soon to be renewed and extended at \$26.00. This is for about 3,000 SF, a floor-thru space, on the eighth floor.

The utilities in 183 are minimal because heat and air conditioning are supplied by electrical units under the control of the tenants and subject to their maintenance.

The following are salient facts concerning this building and the data deemed useful in this analysis:

<u>Component</u>	<u>Increment</u>
Total Building Area	21,700 SF
Typical Floor Area	3,100 SF
Rental Range \$/PSF	\$22-\$26 PSF
Expense Stop	\$5-\$5.50
Typical Fit-up	\$12-\$15

199 STATE STREET

This property is of interest in this analysis because it was recently purchased, but had not been rehabilitated. The sale was for \$2,400,000 which represents about \$147 PSF of GBA. This property is distinguished from the one just discussed by virtue of the fact that it isn't rehabilitated, but also because it is the last structure in the remaining State Street Block and immediately abuts the Central Artery. At the time this assignment was being done this property was actively under rehabilitation at a cost of about one million dollars or about \$61.50 PSF insofar as the building had 16,260 SF of area above the basement. The reader's attention is drawn to the significance of this dollar amount for rehabilitation between the price paid for #183 as already rehabilitated and this price paid for #199 with the work yet to be done. The basic cost of rehabilitation is estimated to be \$28.00 to \$30.00 PSF of GBA by the developer with the balance being seen as available for tenant fit-up at a range of \$10.00 to \$12.00 PSF. The rehabilitation and restoration work will bring the finish to a level characterized by the developer as Class B+. This is necessary, in his judgment, in order to remain competitive in a softening market in mid 1986. Upper floors will have some oblique vistas of the water and the butt end of the building above the Central Artery does have windows and/or skylights giving superior views and for which additional rent can be achieved. The

information reported as to rent levels is based on negotiations for occupancy of this space in late 1986 or early 1987 with as much as 80% of the space being negotiated and close to contract as of July 1986. The operating and tax stop in this building, but included in the rent, is expected to be on the order of \$5.00 to \$5.50 PSF with typical escalation above.

The information from this building is useful because of the age and it represents old rehabilitated space and also it is useful in dealing with small floor areas insofar as each one is about 3,000 SF.

The following are salient facts concerning this building and the data deemed useful in this analysis:

<u>Component</u>	<u>Increment</u>
Total Building Area	16,250 SF
Typical Floor Area	3,100 SF
Rental Range \$/PSF	\$22-\$26 PSF
Expense Stop	\$5-\$5.50
Typical Fit-up	\$12-\$15

ONE LIBERTY SQUARE

This building is representative of a "middle aged" structure but one that has a very good location in the same general district downtown as the subject and has architectural appeal which makes it very competitive as a rehabilitated structure. What is more, it has been very carefully and thoroughly renovated with a number of extraordinarily appealing touches in addition to the lovely exterior curving facade which it presents on the square from which it takes its name. In addition to that fine attribute it has a beautiful interior vaulted rotunda lobby originally built in order to enhance the name and image of the occupant which for many years was the Employers Insurance Company. It does not have its own parking and that public parking which was partial support for its use and occupancy, the Kilby Street Garage, is now being demolished to make way for a new major development to be known as 77 State Street which, according to existing plans, will replace that parking and add many more totaling on the order 750 spaces by the time it is completed. The renovation of this property is quite recent and extensive and included the restoration of the beautiful large elevators which are unrivaled in the appraiser's experience except by the elevator lobbies, doors and cabs in the United Shoe Machinery Building on Federal Street, a building which is now also under restoration and renovation and has been identified as a landmark.

Because of the appeal of this building the owner's report that little or no fit-up costs are required and no vacancy as such is being experienced in the current market. Information concerning leases currently existing or recently entered into together with general information relating to the operating expenses of this building as gleaned from the owners form the basis for the salient facts set forth below.

<u>Component</u>	<u>Increment</u>
Total Building Area	180,000 SF
Typical Floor Area	12,000 SF
Rental Range \$/PSF	\$28 PSF
Expense Stop	\$6.00 ₊ PSF
Typical Fit-up	\$10 ₊ PSF

FANEUIL HALL MARKETPLACE

This complex of buildings is of course one of the most outstanding in the City of Boston and perhaps the most famous and successful in the United States as evidence of how antique buildings can be converted for other uses. It is not possible to talk about typical spaces or typical floors and the like, but such salient facts as are available have been recited below.

The most important thing here is to understand the dynamics of the current market for this kind of space which is space with which the subject would have to compete. The recent leasing activities have been, quite interestingly, to capture tenants for areas as little as 2,000 SF. This marketing thrust was caused by a recent vacancy of nearly 70,000 SF most of which was in the South Market building and some of which was on the State Street side of that building which is the least desirable because it overlooks Chatham Street and the back of other buildings fronting on State Street. The South Market Street building, probably because of this aspect of rear view, typically has more vacancy experience than the North Market building which is usually full except for rollovers of tenancies. Such a rollover recently for 1,500 SF was available at \$26.00 PSF with some modest cosmetic fit-up probably not exceeding \$5.00 to \$10.00 PSF.

This is an interesting property but it also has liabilities because of the intense mix of retail stores, a proliferation of restaurants and the office use. This last is not entirely compatible because of the crowds of people and the casual violations, not criminal, of security with people wandering through with pizzas in spaces not so intended. Also while there are no taxes, this is a redevelopment project leased to the Rouse Company of Baltimore, Maryland, with 121-A excise payments to the Commonwealth and little or no payments to the City. The utilities, however, are quite disastrous for office tenants because they are handled by allocation and not independent metering. Attempts are made to justify the precision of the allocation but tenants reported to this appraiser that it is only an attempt and the additional costs of occupancy are heavy. Other space now available is on the fourth floor, 7,500 SF, which had been heretofore rented at about \$22.00 and now would be available at something like \$26.00 PSF. Also a small quantity of space in the South Market building, 2,000 SF, was made available recently at an asking rent of \$24.00 PSF, but in the same building a loft space of 12,000 SF which does not easily subdivide because of toilet and elevator locations has gone begging for a tenant for perhaps twelve months.

As an overall consequence, this is quite a mix of uses, occupancies and rental rates, but still is useful in the general analysis because of the age and character of the buildings and

the identification which being located in Faneuil Hall Market-place brings with it. The following are the best available salient facts concerning these overall circumstances.

<u>Component</u>	<u>Increment</u>
Total Building Area	300,000 SF
Typical Floor Area	N/A
Rental Range \$/PSF	\$22.00 - \$26.00 PSF
Expense Stop	N/A
Typical Fit-up	\$12.00 - \$15.00 PSF

400 ATLANTIC AVENUE

This property is utilized because it is a rehabilitation and complete restoration and conversion of use of a waterfront building bringing with it the locational attributes and liabilities of the subject as well as the assets of water views and City vistas. It is a low-rise building which has been converted for office use during the mid 1980's and therefore represents the best available such converted space representative of the market activities of recent times - the appraiser understands that it is now all but completely rented up.

This property is also of interest in the analysis because it fell directly and extensively under BRA review and the ultimate rehabilitation which included the addition of one floor (really a reconstruction of one half floor and new construction of one half floor) had to subject itself to BRA requirements for design, but also for public access to the waterfront over this parcel. This last public access is part of an effort by the BRA to create a contiguous such access for the public along the entire waterfront at this stretch to the extent it is still possible, i.e., Rowe's/Foster's Wharf development was subject to the same kind of requirement and is the next most contiguous such public access.

In this building the largest user has 53,000 SF at \$25.00 PSF and the smallest, except for one tenant occupying a space as an accommodation to the lessor's need to preserve option space, is 8,000 SF more or less at about \$23.00 PSF. The appraiser has in

mind that most of these leases were entered into during late 1984 and early 1985 but views them in the perspective of the current market circumstances wherein there is a softening or at least a flattening of the market for this kind of space.

By virtue of visibility, style, adaptive reuse, new uses, waterfront views and City vistas, modernization, etc., this property's history as to rehabilitation costs, tenant fit-ups, basic rentals and services together with conditions of a typical lease are all very instructive in the appraiser's judgment and the following represents the best available salient facts concerning such:

<u>Component</u>	<u>Increment</u>
Typical Building Area	100,000 SF
Typical Floor Area	15,000 SF
Rental Range \$/PSF	\$23.00 to \$29.50 PSF
Expense Stop	\$ 5.50 PSF
Typical Fit-up	\$11.00 PSF

INCOME APPROACH/DATA ANALYSIS - continued

In addition to the specific guidelines established by all of the foregoing data, the appraiser was further advised as to market conditions in buildings and/or spaces which he found helpful. The New England Telephone Company is a large user of space and a frequent tenant in downtown Boston and recent activities of that large utility at 265 Franklin Street (135,000 SF), 100 Summer Street (21,600 SF), One Lincoln Plaza - a proposed development (13,905 SF), and 2 Liberty Square (20,000 SF) all during 1985 and 1986 clearly suggests a series of components and increments as follows:

<u>Component</u>	<u>Increment</u>
Floor Areas	14,000± SF to 135,000± SF
Rental Range \$/PSF	\$18.00 to \$22.00 net
Expense Stop	\$5.00 to \$7.00±
Typical Fit-up	\$12.00 to \$20.00 PSF

It is the appraiser's judgment that to suggest that these indicator ranges can be adjusted or manipulated so as to be more specifically applicable to the subject is to suggest that there is some infinite precision in the appraisal process which it does not really possess. Rather, it is the appraiser's judgment that the raw indicated ranges are instructive in and by themselves and clearly dictate the market limits within which the subject must perform and compete. It is equally obvious, in the appraiser's opinion that the subject property cannot in terms of

the potential for function of its space command from the absolute upper limit of these indicators (200 State Street at \$33.00 to \$41.00+ PSF), but it is equally clear that it can command rents superior to those from the lower end of the range, \$19.00 to \$20.00 PSF. It is equitable to impute, however, rentals based on competitive mid-ranges of these indicators to the various levels of the subject having in mind that the higher one goes the better will be the views and vistas and also having in mind that the subject property has some of its own special characteristics which, for various reasons set forth within the Rent Schedule Section of the report, cause the appraiser to put different amounts of base rent on different portions of the subject building.

In dealing with the operating expenses in the subject property and drawing on the clear indicators from this market data, the appraiser is constrained to suggest a range for the subject property, especially because it is not a new building where certain operating expense economies are delivered because of the efficiency of new construction and mechanical systems, to be on a narrow range from \$5.50 to \$6.50 PSF. From that operating expense and tax range should be deducted \$2.50 PSF as the typical mean of real estate taxes in the sophisticated leases which have been developed for these various properties. The purpose for extracting that tax dollar amount is because the appraiser feels that the subject should be evaluated based on a tax factor - see Tax Factoring Rationale later herein.

The other basic component of analysis from this section has to do with tenant fit-up. Because the property being appraised will be subject to an extensive rehabilitation with extraordinary work being done across a broad spectrum even including structural matters, the result will be a retro-fit that will produce a base against which any fit-up will likely be somewhat modest. Consequently, after total rehabilitation, it is the appraiser's judgment that the typical fit-up cost allowance for the typical tenant should be on the range of \$15.00 to \$20.00 PSF. This range is introduced because the appraiser anticipates that any user of some of the spaces within this subject property will require inducements both as to rent and, within the context of this instant portion of the analysis, tenant fit-up finishing and fixturing.

From all of the foregoing it is now possible to establish the criteria whereby the property can be analyzed for office reuse:

<u>Component</u>	<u>Increment</u>
Total Building Area	Gross 123,150 SF/Rentable 51,387 SF
Typical Floor Area	None such/from 1,500 to 2,900 SF±
Rental Range \$/PSF	\$25.00 to \$30.00 PSF
Expense Stop	(sans taxes) \$3.00 to \$4.00 PSF
Typical Fit-up	\$12.00 to \$20.00 PSF

CUSTOM HOUSE TOWER

RENT AND OCCUPANCY SCHEDULE

Floor	Use	Elev.	Stairs	Gross	AREA S.F.		S/RENTAL		Comments
					Tenant	NY Style	Rate	Annual	
Sub-B	Storage & mechanical	None	1	14,200 SF	None	N/A	Common	None	No economic base
Bsmt.	Street level - rotunda and tower support/lobby	4	grade	11,300	1,100 SF	N/A	Common	None	Accounted for in N.Y. measure
1	Main Rotunda	4	1 & grade	8,800	None	N/A	Public	None	Public
2	Upper Rotunda	4	2 (open)	8,900	None	N/A	Public	None	Public
3	Rotunda dome	1	2	8,900	None	N/A	Public	None	Public
Dome	Rotunda crown room	4	2	4,200	1,300	N/A	Mechanical	None	New HVAC here
4	Office	4	2	4,200	2,775	3,052 SF	\$24.00	\$ 73,248	Standard space
5	Office	4	2	4,200	2,965	3,261	24.00	78,276	Standard space
6	Office	4	2	4,200	2,965	3,261	24.00	78,276	Standard space
7	Office	4	2	4,200	2,965	3,261	24.00	78,276	Standard space
8	Office	4	2	4,200	2,965	3,261	24.00	78,276	Standard space
VIEW VISTA LINE - selected by Appraiser									
9	Office inclusive - Office/3 floors	4	2	4,200	2,965	3,261	26.00	84,786	Better space
10-12		4	2	12,600	8,895	9,785	26.00	254,397	3 floors/all the same
13	Office	4	2	4,200	2,965	3,261	28.00	91,308	Better because higher
14-15	inclusive - Office/2 floors	4	2	8,400	5,930	6,523	28.00	182,644	2 floors the same
16	Office	4	2	3,800	2,535	2,789	28.00	78,092	Good space but smaller size
17	Office	4	2	3,800	2,535	2,789	28.00	78,092	Good space but smaller size
18	Office	5	2	3,800	2,335	2,569	28.00	71,932	Transfer lobby here
19	Mechanical	1	2	3,900	2,335	N/A	Common	None	Elevator equipment & water tanks
20 and 1/2 21	Duplex with balconies - Office	1	2	3,675 total	2,120 total	2,332 total	30.00	69,960	21st is a dark floor but useful for 2nd toilet and back-up space
1/2 21 and 22	Duplex Office	1	1*	3,075 total	1,800 total	1,980 total	30.00	59,400	Same as duplex above but less space - no balconies
23	CLOCK	1	1*	1,950	None	N/A	Public/common	None	To be preserved for clock oper.
24	Part of Public Space	1	1*	2,100	None	N/A	Public	None	To be used as "museum" back-up to observation level
25	Observation	1	1*	2,500	None	N/A	Public	None	1,300SF inside/1,200SF decks
26	Mechanical	0	Circular	1,700	None	N/A	Common	None	5th elevator machinery
27-30	inclusive - tapering tower	0	Circular	1,550	None	N/A	None	None	Under tower cap - no function
TOTALS				137,350 SF	**51,450 SF	51,385 SF	\$26.41 PSF Average	\$1,356,963	

* One alternative will provide 2nd staircase to 25th floor - observation level.

** 4,735 SF is common area = 100+

CUSTOM HOUSE TOWERCASH FLOW ANALYSIS
(discounted at 10%)

Gross Potential Income - \$1,400,000

<u>Line</u>	(12 mos.) <u>Year 1</u>	(12 mos.) <u>Year 2</u>	(12 mos.) <u>Year 3</u>	1st day <u>Year 4</u>
1. Occupancy	0	0	70%	95%
2. Income	0	0	\$ 980,000	\$1,356,963
3. Vacancy	100%	100%	N/A	N/A
4. Effective Gross	0	0	980,000	1,289,115
5. Operating Expenses	0	0	0	(64,455)
6. Net Operating Income (NOI)	0	0	980,000	\$1,224,660)
7. Costs - hard & soft	(\$1,900,000)	(\$3,000,000)	(730,000)	
8. Marketing		(18,400)	(55,100)	
10. Interim Expenses	(190,000)	(300,000)	(73,000)	
11. Investment Tax Credit (ITC)	403,750	637,500	155,125	
12. Total Rate				.1131
13. Capitalized Value				\$10,828,161
14. Tenant Fit-up			(490,500)	(210,200)
15. TOTALS	(\$1,686,250)	(\$2,680,900)	(\$ 213,475)	\$10,617,961
16. Present Worth Factor @ 10%	.9091	.8264	.7513	.7513
17. PRESENT WORTH	(\$1,532,970)	(\$2,215,496)	(\$ 160,384)	\$ 7,977,274

Net Present Value = \$4,068,424

SAY: \$4,000,000

CUSTOM HOUSE TOWER

CASH FLOW ANALYSIS
(Line item detail)

- Line 1 - Occupancy is based on the assumption that it will take 24 months or more for the initial tenants to begin to occupy. This brings the average experience in the third year to 70% with the assumption of only 20% at the beginning and maybe as much as 80% towards the end of the year. On the first day of the fourth year the assumption is that the building will be operating at its market capacity of 95% occupancy.
- Line 2 - Income is based on the rent schedule set forth elsewhere in this report and does not reflect any revenue from public space, but does include a New York style measurement for imputing rent which accounts for common space being charged pro rata to all tenants.
- Line 3 - Vacancy is a moot item in this analysis, but is included for continuity purposes. In the first two years there will be no occupancy and in the third year and as of the first day of the fourth year the occupancy assumes an amount of vacanc, i.e., 30% in the third year and 5% on a continuing basis beginning with the first day of the fourth year.
- Line 4 - Effective gross is simply a repetition of Line 2 since there is no vacancy charge as explained.
- Line 5 - Operating expenses are not applicable until the first day of the fourth year and are intended to reflect the fact that the income is based on a net after consideration of the operating expense stop, but before consideration of real estate taxes. Consequently it only needs to include the following:
- | | |
|--------------------------|----------------|
| Insurance | .5% |
| Structural Maintenance | 1.5% |
| Management/Miscellaneous | 2.0% |
| RESERVE | 1.0% |
| Total | 5.0% of Line 4 |

- Line 7 - Costs both hard and soft are drawn from studies done by the architectural firm of Notter Finegold & Alexander, Inc. - see copy of that report at addendum. The expenditure is expected to largely take place during the second year thus the capital amounts are skewed. Also note that these amounts do not include costs specifically required for the preparation and/or conversion of areas which are defined as public. Exceptions to this are allocations for the preparation of the transfer lobby on the 18th floor and the single elevator running from the 18th to 25th floor nor the alternative second stairway from floor 20 to 25.
- Line 8 - Marketing is an amount imputed by the appraiser in order to represent the costs of presenting, leasing and otherwise causing the space to become tenanted once it is available. The number is intended to include advertising, special management costs, fees, commissions and, lease buy-outs if necessary/deemed unlikely. The amount is set at 6% of the NOI and is distributed one quarter in year 2 and three quarters in year 3.
- Line 10 - Interim expenses are intended to represent an offset in the cash flow study for things such as interim taxes, insurance, subcontractor supervision, permitting fees and expenses related to studies requisite of those permitting procedures. All are set at 10% of the costs/Line 7.
- Line 11 - Investment Tax Credit (ITT) is available to a taxpayer in 1986 at the rate of 25% on a project which is designated as historical which the subject is. In dealing with this, the appraiser has consulted with tax experts who suggest that because of the new implications of the tax laws, the availability of this to a developer, probably during 1987, is uncertain. Consequently, and on the advice of those consulted, he has discounted the otherwise pro rata contribution by 15%. Therefore the numbers for this line item represent 25% of the costs/Line 7 discounted 15%.

Line 12 - Total rate for capitalization of the property on the first day of the fourth year, at full operating capacity, is a combination of an overall capitalization rate (OAR) and an effective tax factor - see Tax Factoring Rationale - as follows:

OAR	.0924
Tax	.0207
Total Rate	.1131

Line 13 - Capitalized value is the amount of the building's net operating income after it is completed, but excluding income from the public spaces. Line item 6 divided by Line item 12.

Line 14 - Tenant fit-up. The preparation of the building especially those areas to be tenanted is so thorough in terms of the costs at Line 7, that completion of the tenant space calls for only a reasonable allowance. The new HVAC system, for example, will call for the installation of only two heat pumps on each floor at a cost of about \$1.00 PSF. Consequently \$15.00 PSF as a standard allowance is deemed equitable. Having in mind that the tenant fit-up comes only as occupancy occurs, these charges are set forth only in years 3 and as of the first day of year 4.

Line 15 - TOTALS

Line 16 - Present worth factor at 10% represents the discount percentage based on the expiration of time and the value of money at 10%.

Line 17 - PRESENT WORTH represents the current value contribution of the experience in any of these years after discounting.

CUSTOM HOUSE TOWERSUMMARY AND FINAL VALUE ESTIMATE

The property has been analyzed from all of its aspects. Consideration has been given to residential and hotel use and a full exploration of the commercial potential for office use has been developed through both the Market Data and Income Approaches - the Cost Approach was disregarded as being invalid because of the extraordinary functional obsolescence, the estimate of which would be pure speculation.

While the Market Data Approach was utilized, it could not adequately provide the requisite series of truly usefully comparable sales. The limits of value which it established were helpful.

Finally the Income Approach was relied upon. It provided the flexibility to impute rents and make other kinds of assignments consistent not only with the characteristics of this particular building, but with the limitations, assumptions, presumptions, mandates and other parameters established by the hypothesis of this assignment. Without meaning to be redundant it seems important at this time to repeat some of those.

The property value assigned in this report is an estimate of the present net worth of the value contribution made by those portions of the subject property which can be utilized for

productive commercial and economically feasible purposes, in this case first-class office space. The assignment has taken into account that a considerable amount of the property will be devoted to public use which will be incapable of producing a contribution to the income stream. Consequently, the value does not take into account the costs of preparing that public space for its proposed function.

In addition, the appraiser, with the valuable assistance of the architectural consultant, has concluded that special configurations on floors 20 through 25 must be considered. Ultimately the appraiser has concluded that a second means of egress from the 20th to the 25th floor if it is to be provided will be entirely supportive of the function of public access to the observation deck and the 24th floor below it. Therefore, the readers of this report are advised that if that stair is to be introduced, it will be at the direction of the users of the public space, under their supervision and entirely at their cost which cost has been separately estimated at \$100,000 - see Notter Finegold report at Addendum.

In dealing with this assignment the appraiser has taken into account the standing requirement that the exterior of the building and the main functioning and mechanical systems must be dealt with by the person who is going to receive the benefits of the private occupancy - such has been the perspective and such are

reflected by the cost estimates and other economic parameters set forth herein.

Finally, there are a series of considerations, a laundry list of which follows, which were taken into account in arriving at the value estimate set forth in this report:

- 1) Whatever may ultimately be required as to the preparation of public spaces surrounding this building will be at an additional cost or by virtue of a deduct from the indicated value. Such costs to be estimated later by others.
- 2) Whatever extraordinary costs may accrue as the result of the presumed presence of asbestos in the boiler room and/or in other risers is an amount not yet determined, but also constitutes, after it has been finally determined, a deduct from the indicated value or a major consideration in the disposition process when that occurs.
- 3) A requirement of GSA and BRA and as set forth in the landmarks criteria is that the clock be repaired and the tower be lighted. The appraiser is reliably informed that this requirement will be met, for apparently public relations purposes, by the Boston Edison Company as a donation to the preservation of this historic building.

Other nuances and considerations as to who may occupy what space, how that space is measured and calculated, what the income rates and operating expenses ought to be and other major and pivotal considerations are all set forth in sufficient detail in other parts of this report and have led this analyst to the conclusion that the current fair market value (Net Present Value) after a due consideration through a discounted cash flow analysis is:

\$4,000,000

July 23, 1986

Architects and
Preservation Planners

Boston MA
Washington DC

CUSTOM HOUSE TOWER
DESIGN AND COST OCCUPANCY STUDY

Introduction

This report has been prepared at the request of Richard J. Dennis, Sr. of Casey and Dennis to assist in determining the private tenant development potential of the Boston Custom House Tower into first-rate office space. The following narrative addresses one possible development scheme and identifies approximate design and construction costs for that scheme. In general, this report is concerned only with exterior renovation and interior aspects specifically related to tenant occupancy. Development of public areas in the original "temple" building and non-office spaces in the tower are not considered. The tower observation deck will remain publicly accessible.

Exterior

The exterior masonry of the building has recently been structurally stabilized and repointed and is in good condition. The metal tower cap was also replaced. All of the masonry should be cleaned, however, and this may be done when the building is scaffolded for window replacement. Copper spandrel panels at the three level pilaster "colonnade" below the clock and the copper parapet at the observation deck require cleaning and repair. The sloped tower roof and "temple" roof require only selective repair.

All windows in the "temple" building should be replaced or refurbished following the guidelines of the Boston Landmarks Commission. New windows would be double glazed and existing windows would receive interior storm sash. All four exterior entrances would be refurbished. These include the north and south basement grade level entrances, the west main level entrance, and the east veranda entry. All windows in the tower will be replaced with metal double glazed units.

The clock is assumed to be cleaned and made operational at no expense to the city, as is the installation of exterior accent lighting.

Elevators

Four elevators serve the basement through the 18th floor and a single elevator extends from the 18th floor to the 25th floor observation deck, in the narrow upper part of the tower. The fourth (single shaft) main elevator is adequate for handicapped access; the other three are marginal. The observation deck elevator is extremely small and should be attended for public use. The elevators have been upgraded from their original manual operation in piece-meal fashion over the years and are in poor and unreliable condition.

All the elevator cabs and controllers should be replaced and machinery rebuilt. Rails and overhead supports may be salvageable. Inappropriate flush elevator entrance doors should again be replaced with more ornamental doors at the "temple" rotunda levels and ornamental surrounds refurbished, as suggested by the Landmarks Commission.

The four main elevators, when upgraded, will represent the proper level of service for premium office space up to the 18th floor. The single elevator above that level will serve only three office floors, along with the observation deck. Its replacement cost would reasonably be shared as a public and a tenant improvement.

Common Area Improvements

The "basement" State Street (north) entrance is proposed for grade level tenant access to the elevators. The entrance will be refurbished as part of the exterior renovation and the interior vaulted lobby will be cleaned and restored.

A new compatible but contemporary glass and metal partition may be designed within the basement level of the rotunda to segregate tenant and public traffic. Its proposed location is shown on the attached floor plans. This configuration will allow tenants to experience a formal entrance to the building while allowing either the tenant or public section to be closed and secured. The fourth elevator, in a separate shaft, will remain in the public area and afford access to the observation deck.

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Custom House Tower
Design and Cost Occupancy Study
Page Three

Approximately 800 square feet in the northeast quadrant of the building, adjacent to the tenant lobby, is set aside for tenant support services. This area will be renovated to house a superintendent's office, mail room, delivery and storage area, and other spaces appropriate at ground level for support of the tenant spaces in the tower.

A special transfer lobby of approximately 200 square feet is required at the 18th floor for both tenants above that floor and visitors to pass from the main elevator to the single elevator, rising to the observation deck. The cost for renovating this lobby would be shared as a public and a tenant improvement.

The southwest stair in the tower presently opens directly into each office floor. Stair enclosure must be completed with fire rated doors and partitions. Also, existing windows between this stair and the elevator shaft should be closed up.

Heating, Ventilating and Air Conditioning

A totally new HVAC system is required to meet the standards for first-rate rental office space. The present single pipe steam radiation is inflexible and air conditioning, except for the Federal Courtroom, is by window unit or non-existent.

The proposal is for tenant rental and common spaces to be served by a new central boiler and a new condensing unit located within the Dome Level. The condensing unit may be coupled unobtrusively with an outside air supply through existing grilles above the "temple" roof. This central system offers a flexible, superior design for premium office space. Piping from the boiler will serve baseboard radiation to take the chill off the large windows, and piping loops from the boiler and condensing unit will allow each tenant to install the number and size of heat pumps appropriate for their specific partitioning. This system is more fully explained in the attached report by Environmental Design Engineers.

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Custom House Tower
Design and Cost Occupancy Study
Page Four

Plumbing

Plumbing in the building is sufficiently deteriorated to require replacement. Toilet rooms are presently stacked between the elevators. The single pipe chase may be reused with offsets serving each fixture from below the floor, as at present. A water closet and lavatory will be provided in each of the refurbished handicapped accessible toilet rooms.

A new sprinkler system was installed throughout the building several years ago, and it will require only minimal modifications for coordination with other new building systems.

Electrical

The existing electrical service of 2500 amps appears to be marginally adequate to accommodate the new mechanical system as well as tenant lighting and power needs. A branch panel will be provided at each tenant level and electricity for local needs, including heat pumps, will be individually metered. Tenants will be responsible for lighting and power distribution beyond the branch panel.

Tenant Rental Area Improvements

It is assumed that each tenant will occupy one or more entire floors. Since less than 3,000 square feet is available on each floor, this allows elimination of public corridors and the fullest flexible occupancy. All existing non-bearing partitions will be demolished. Suspended ceilings and carpet or other loose floor finishes will be removed and exterior plaster walls will be repaired and primed, creating a single large room on each floor for tenant improvements. Elevator, stair, toilet room, and pipe chase enclosures will remain. All existing exposed wiring, piping, lighting fixtures, radiators, and other equipment, as well as mechanical and plumbing risers, will be removed in preparation for tenant improvements and the new HVAC and plumbing systems.

Presently a single toilet room exists on each floor between the elevator shafts. Space limitations and the location of the plumbing riser preclude partitioning into pairs of toilet rooms. Relocation of the riser would be costly due to the reinforced concrete structure. The recommendation, therefore, is to upgrade the existing toilet rooms with first class finishes and fixtures. The single rooms would be large enough for handicapped accessibility and key operated by the small office population on each tower floor. A duplex tenant could split men's and women's rooms between floors. There is also the possibility of locating a second toilet room near the southeast pipe chase on a given floor, although this would be in prime office area.

Floors 20, 21, and 22 present a special condition. They are in the narrow upper part of the tower, and the 21st floor has no windows. However, the 20th floor has two private balconies and the 20th and 22nd have the best views, except for the observation deck. The second egress stair does not extend above the 20th floor, and there are no toilet rooms. The proposal is to treat these three floors as a single triplex unit with new toilet rooms installed in a portion of the windowless 21st floor. The tenant would be required to install a second communicating stair between the three levels. This scheme allows good utilization of these upper levels with minimum building modification.

Special Access Considerations

The observation deck is presently served by only one stair and one small elevator. This requires full time professional supervision whenever the deck is open to the public.

Egress considerations could be improved by extending the existing second enclosed stair from the 20th level to the 25th level. This would reduce the rentable area in the triplex floors, but would provide the second stair within the triplex as well as allow it to be broken into two duplexes sharing the windowless 21st floor. This second stair would also open up the 24th storage level (with high windows) as a possible exhibit floor associated with the

public observation deck. It would be reasonable for the cost of this stair extension to be assumed by the public occupancy. Due to existing structural constrictions, the stair would be costly and, like the present stair, undersized according to the code for new construction.

Since the tower was constructed on top of the pre-existing "temple" building, with open formal spaces below its footprint, the two tower egress stairs are discontinuous and unenclosed within the "temple" building. Although it may be possible to relocate and enclose sections of the stairs without altering the fabric of the historic interior, such a design study is beyond the scope of this report. Since an elaborate sprinkler system has been recently installed, this issue has apparently already been faced. Further investigations are warranted.

Special Conditions

It is reasonable to expect the presence of asbestos in mechanical rooms and pipe insulation. Testing should be performed at the appropriate time to determine whether encapsulation or removal is required before existing piping or mechanical equipment is worked on.

Summary of Costs

The following budget costs relate to the description of work in the preceeding narrative. Line item amounts are for subcontractor in-place costs and total \$3,337,000. To this is added a construction cost mark-up of 35% comprised of:

General Contractor OH and P	15%
Design Change Contingency	15%
Construction Contingency	5%

The in-place construction cost, therefore, is budgeted at \$4,505,000.

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Custom House Tower
Design and Cost Occupancy Study
Page Seven

Due to the building's prominence and historic significance, this project will likely entail more than the average number of design studies, reviews, approvals and research. Design, engineering and permits, therefore, may represent an additional 25%, bringing the total budget for design and construction to \$5,630,000.

All costs are in current dollars. The breakdown is as follows:

Exterior

Cleaning, repointing	\$ 225,000
Copper restoration	25,000
Roof maintenance	10,000
Refurbish/replace windows (incl. scaffolding)	1,000,000
Refurbish entrance doors	15,000
Clock, lighting	donated

Elevators

New cabs/equipment, four-tower elevators	645,000
New cab/equipment, obs. deck elevator (50% to tenants)	50,000
New doors/refurbish entrances, temple levels	60,000

Common Area Improvements

Refurbish lobby	10,000
New glass partition in rotunda basement	15,000
Develop entrance tenant service spaces	12,000
Transfer lobby at 18th floor (50% to tenants)	2,000
Complete stair and elevator enclosures (tower)	25,000

Tenant HVAC System

New system with central heating and cooling at dome level	\$ 495,000
Plenum partitioning at dome level	8,000

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Design and Cost Occupancy Study
Page Eight

Tenant Plumbing System

New stacks and fixtures	165,000
Modifications to fire protection	10,000

Tenant Electrical System

Wire HVAC system/panel to each tenant floor	275,000
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Tenant Rental Area Improvements

Demolition of utility risers	20,000
Refurbish toilet rooms	140,000
Tenant area demolition and preparation	100,000
Prepare triplex (20-22) including 2 toilet rooms	30,000

Special Access Considerations

Extend second egress stair 20-25
(Alternate as public improvement cost \$100,000)

Special Conditions

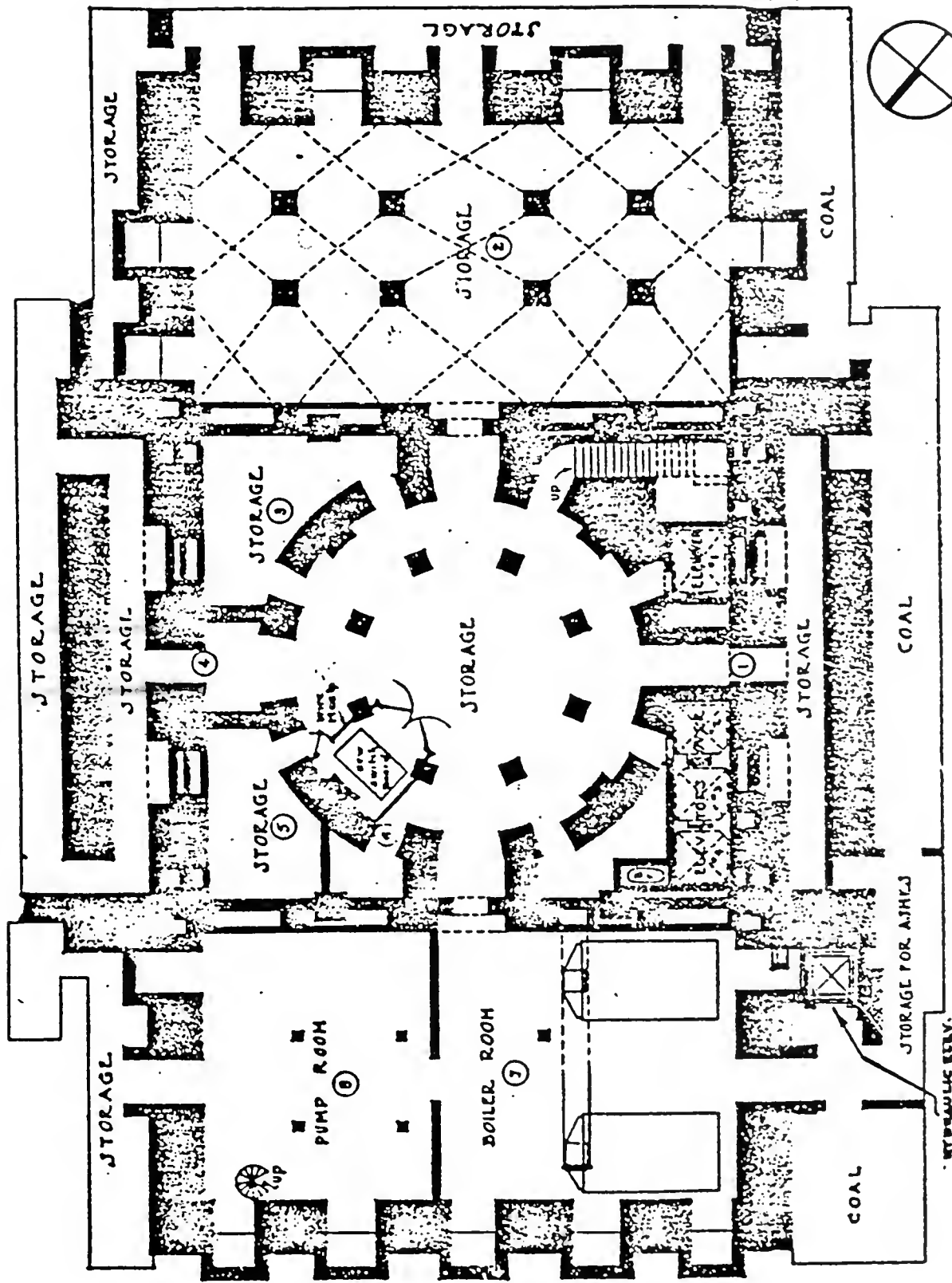
Asbestos removal	undetermined
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TOTAL SUB-CONTRACT COST	\$ 3,337,000
35% Construction Cost Mark-up	<u>1,168,000</u>

TOTAL CONSTRUCTION IN-PLACE	4,505,000
25% Design, Engineering, Permits	<u>1,125,000</u>

TOTAL DESIGN AND CONSTRUCTION	\$ 5,630,000
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M/a

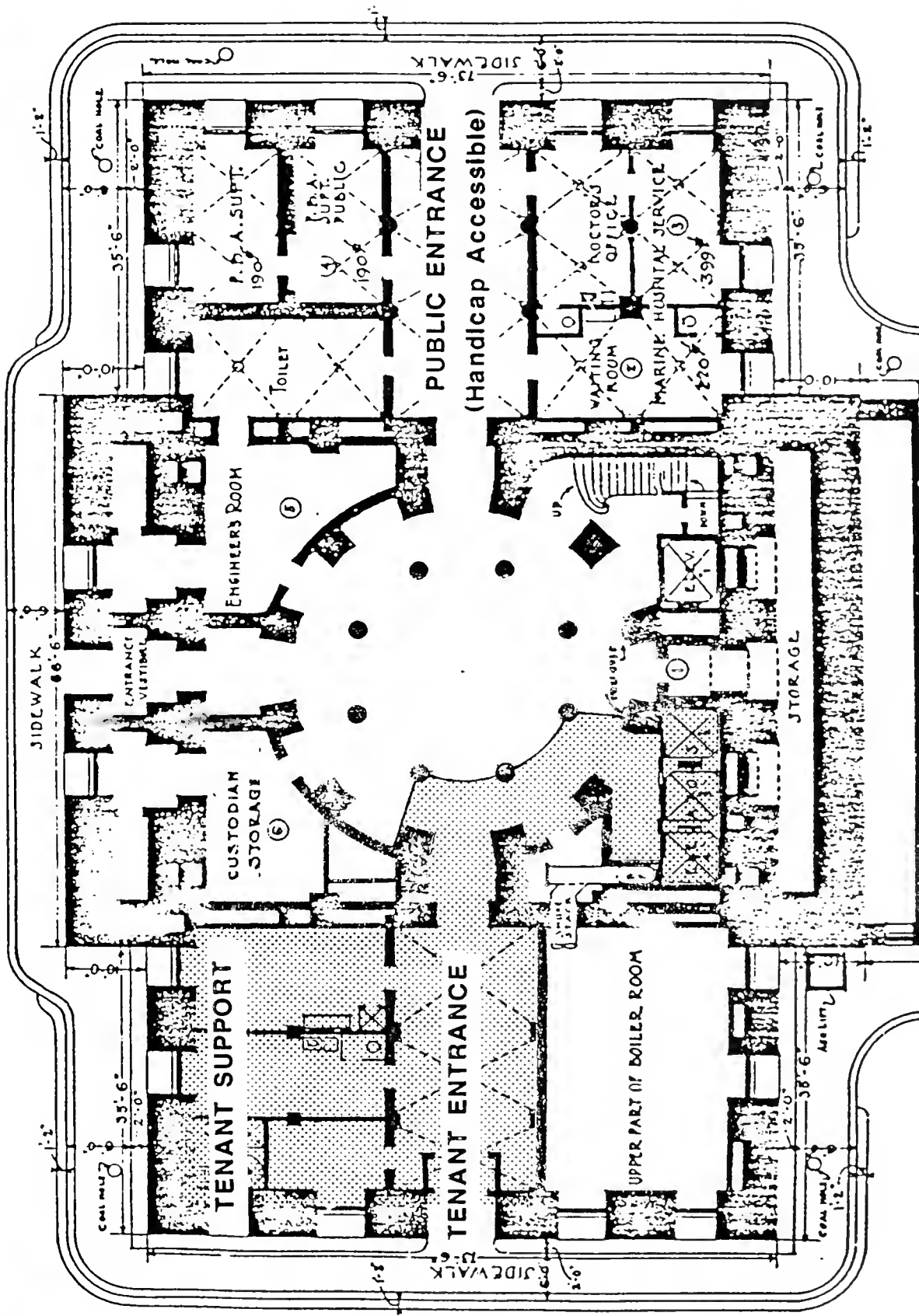


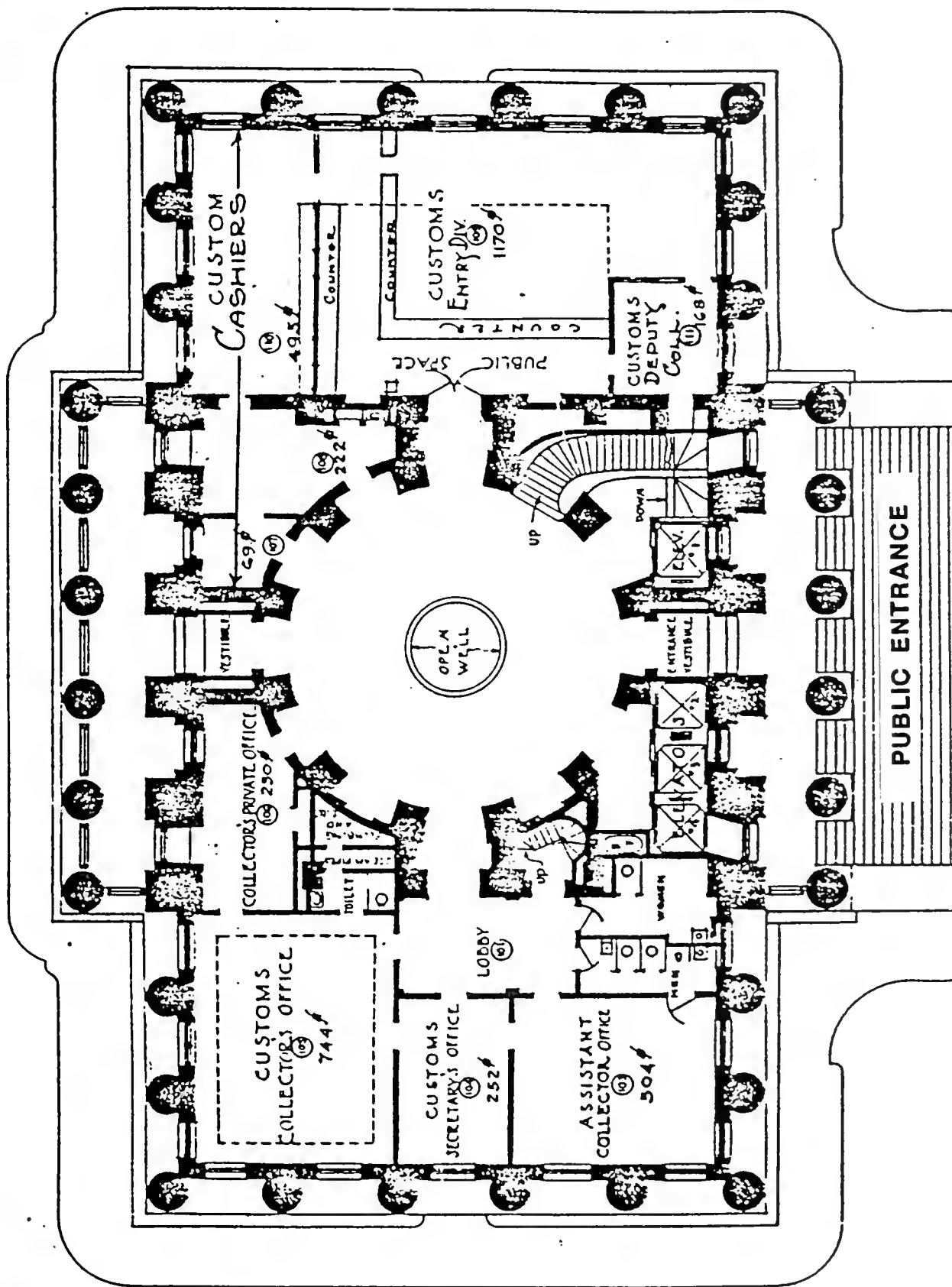
Sub-Basement Level

0 2 6 14 30 ft.

CUSTOMS TOWER
Potential Tenant Use Study
July 25 1985

CENTRAL MECHANICAL FOR PUBLIC SPACES
BUILDING SERVICES FOR
TENANT AND PUBLIC SPACES



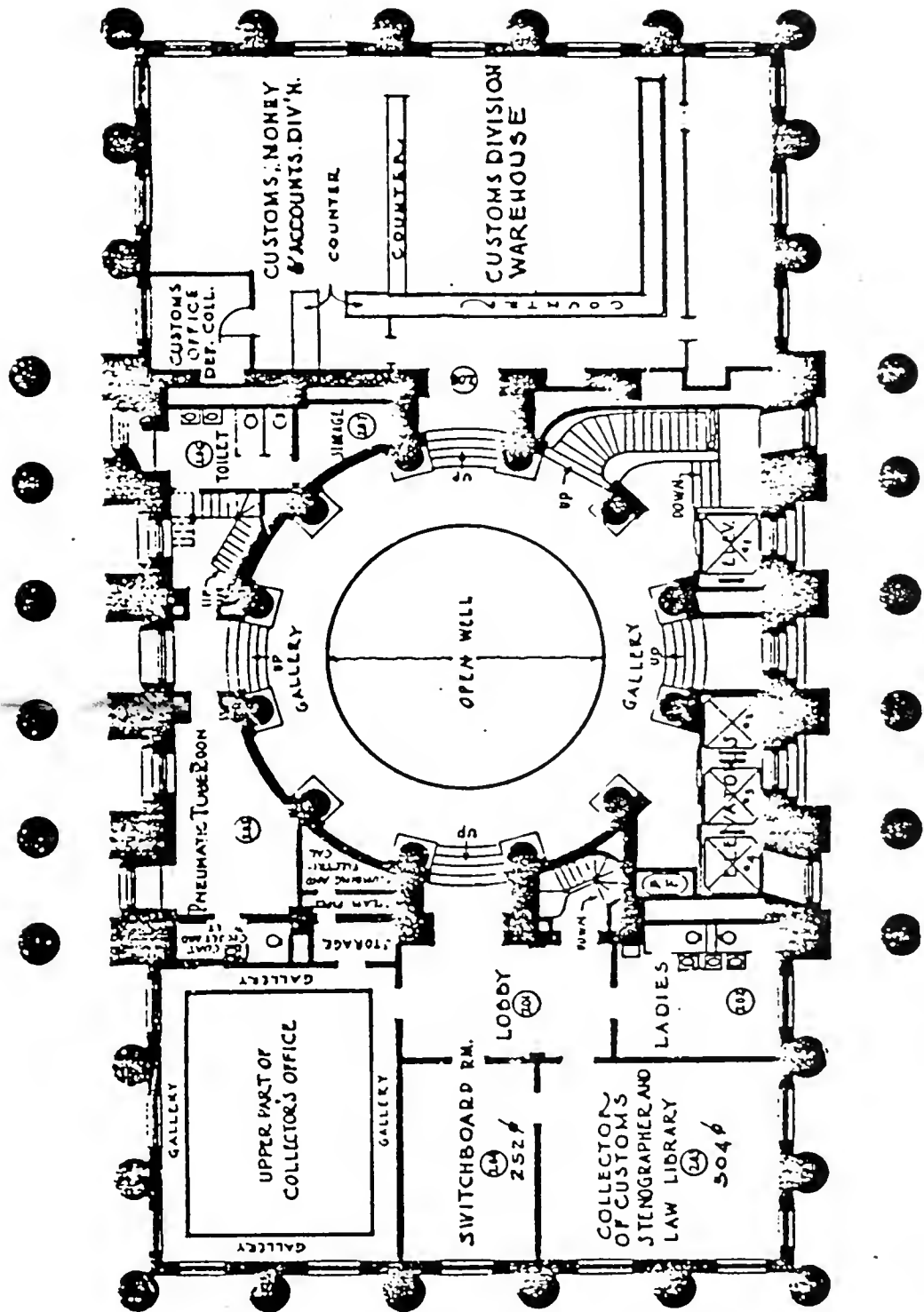


First Floor Plan

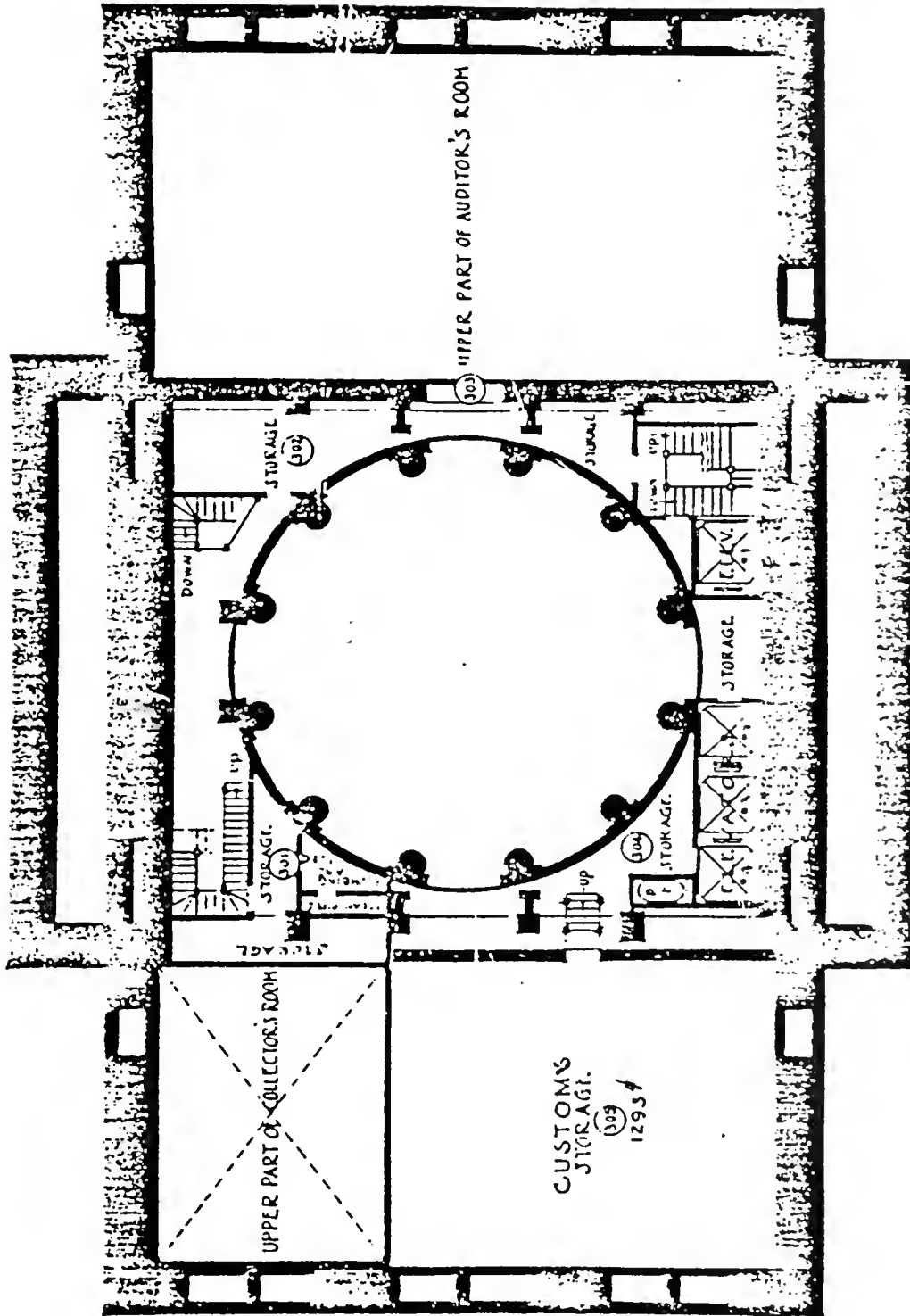
PUBLIC LEVEL

CUSTOMS TOWER
Potential Tenant Use Study
July 25 1985

02 6 14 30



Second Floor Plan

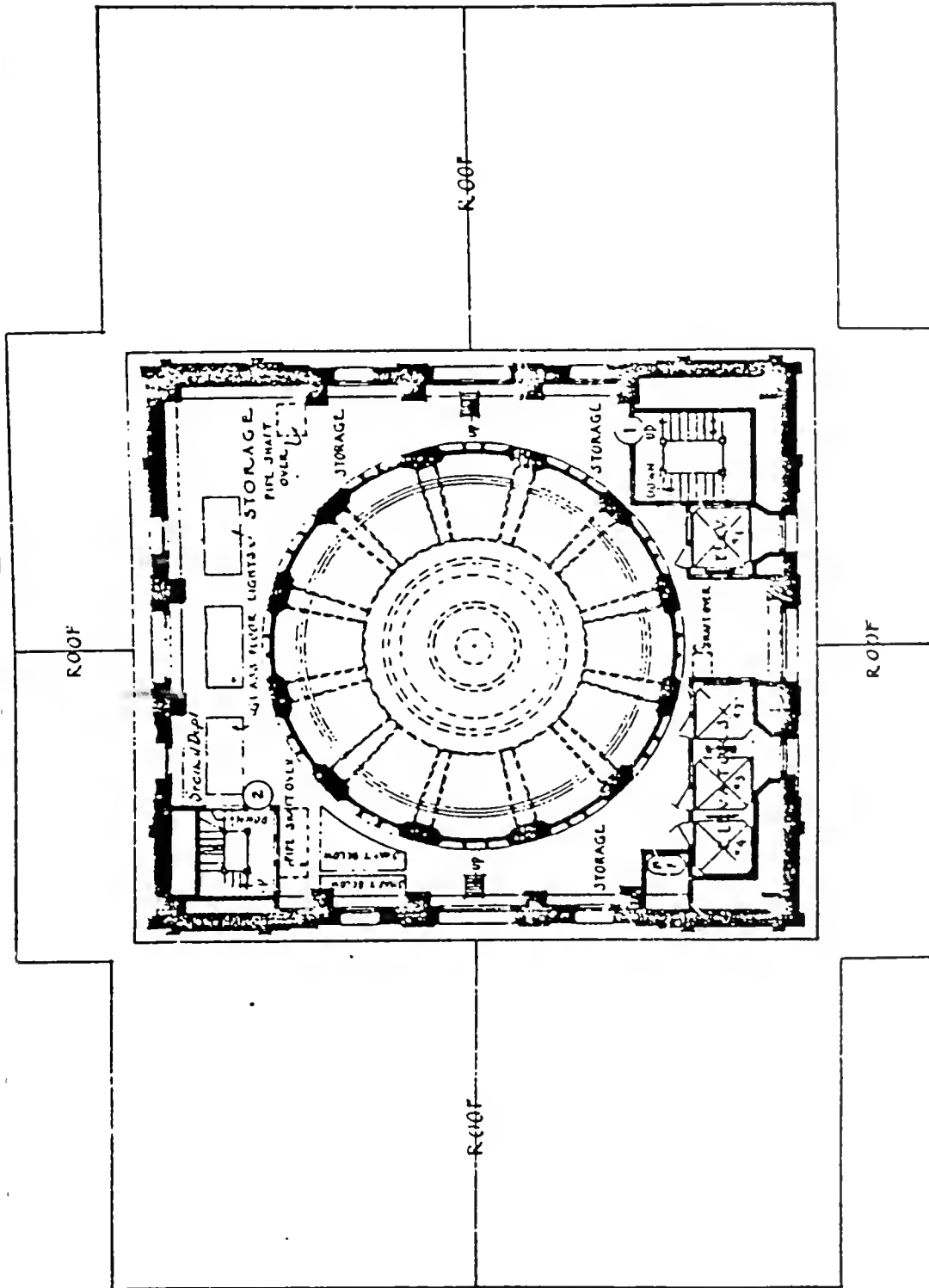


Third Floor Plan

PUBLIC LEVEL

CUSTOMS TOWER
Potential Tenant Use Study
July 25 1985

02 6 14 30

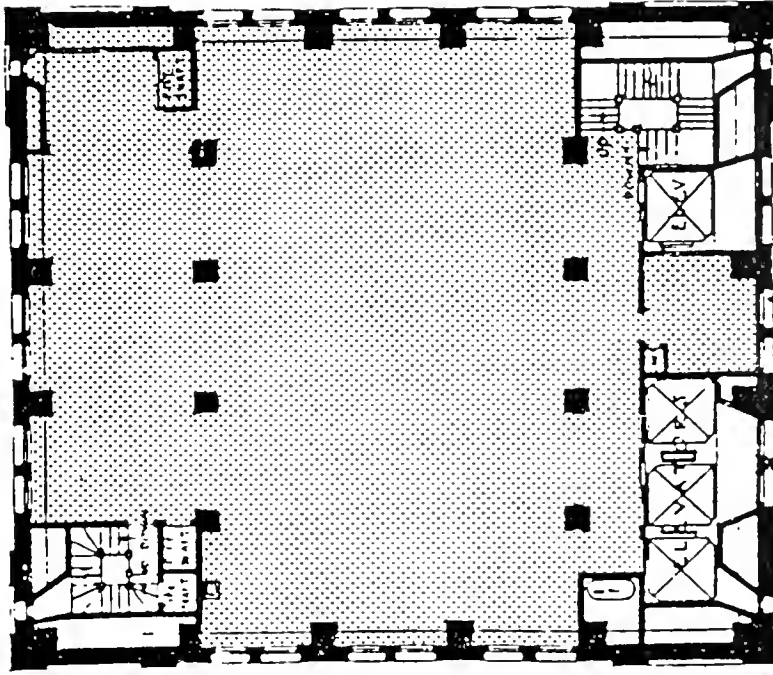
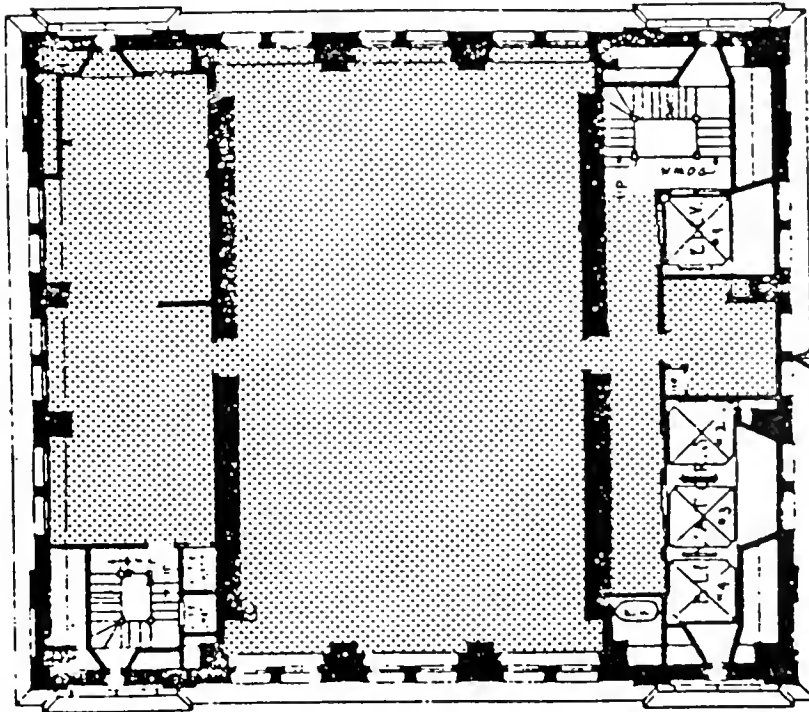


Dome Level

02 6 14 30

CUSTOMS TOWER
Potential Tenant Use Study
July 25 1985

CENTRAL MECHANICAL EQUIPMENT
FOR TENANT SPACES



Refurbished Restrooms
(Handicap Accessible)

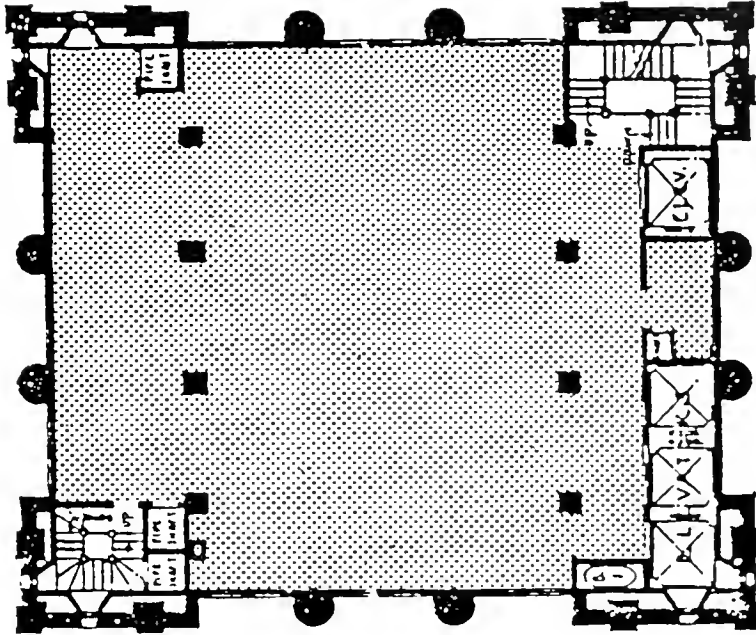
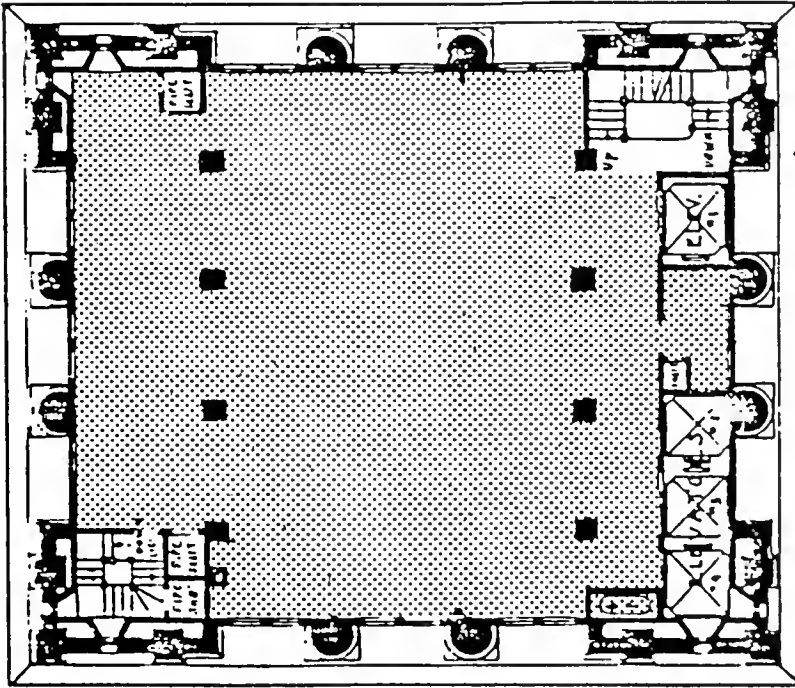
Fourth Floor Plan

Typical Floor Plan
(Floors Five Through Fifteen)

 TENANT SPACE

C U S T O M S T O W E R
Potential Tenant Use Study
July 25 1985

0 2 6 14 30

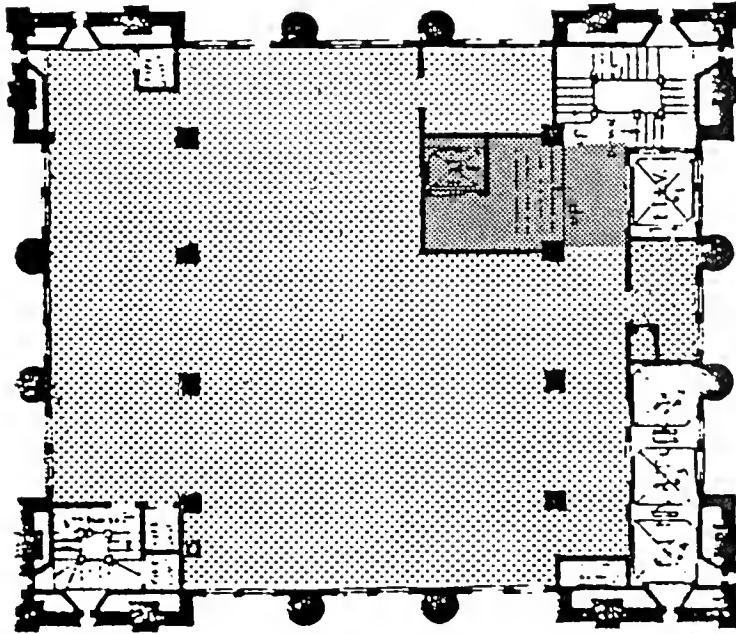
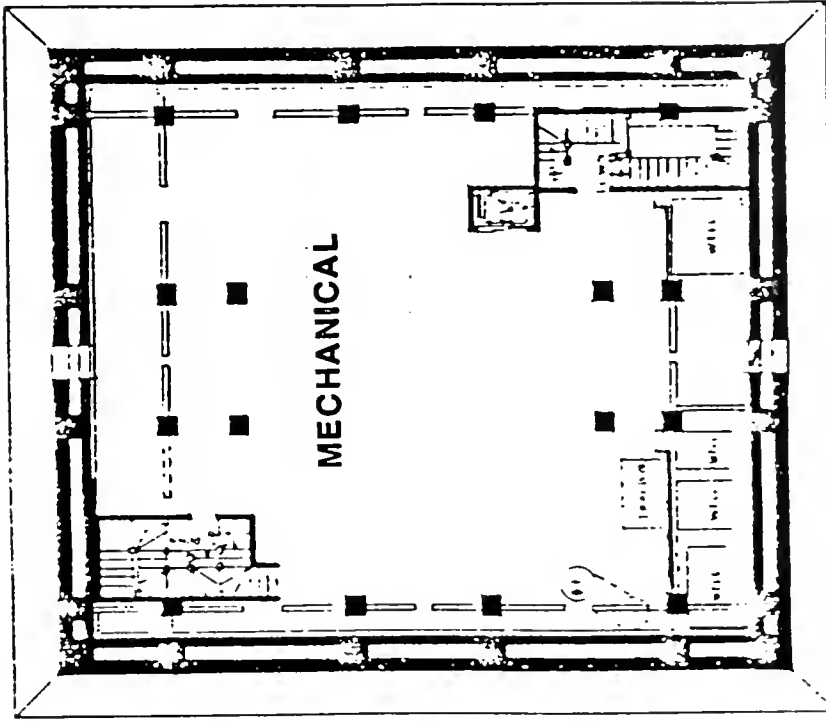


Sixteenth and Seventeenth Floors

TENANT SPACE

CUSTOMS TOWER
Potential Tenant Use Study
July 25 1985

0 2 6 14 30



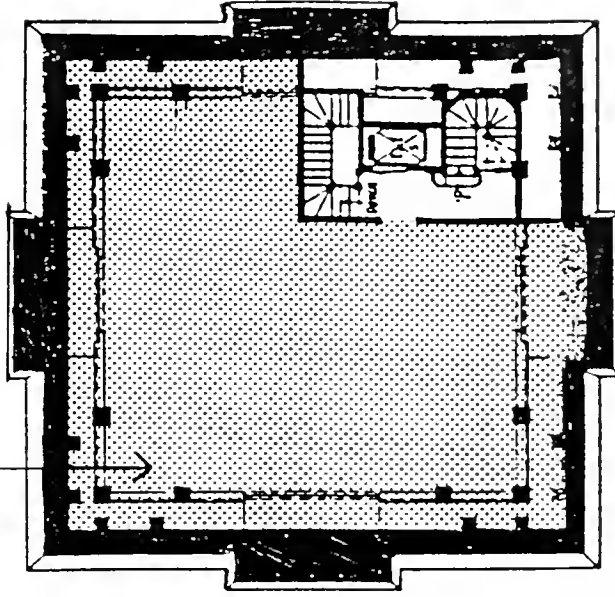
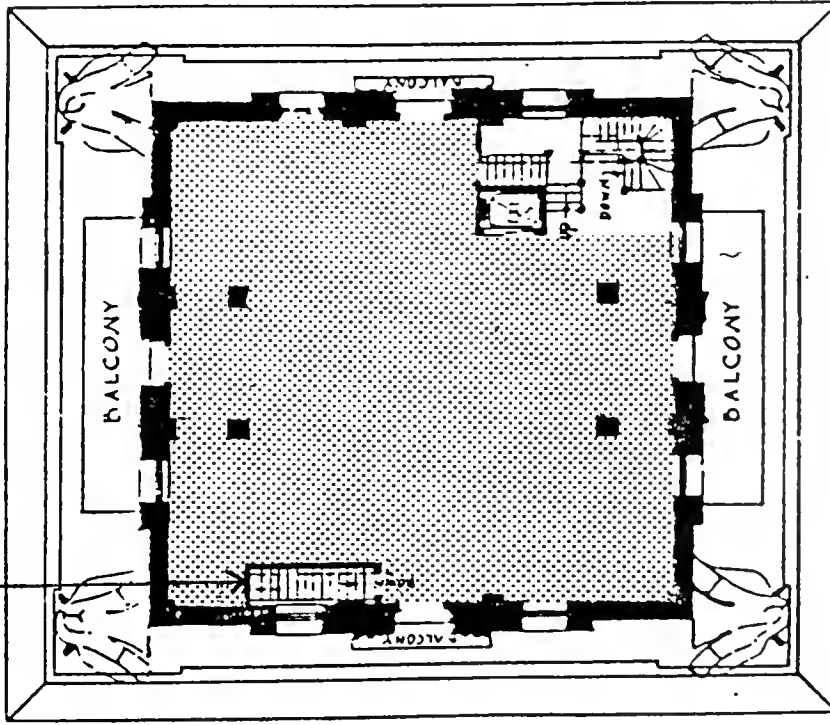
Eighteenth and Nineteenth Floors

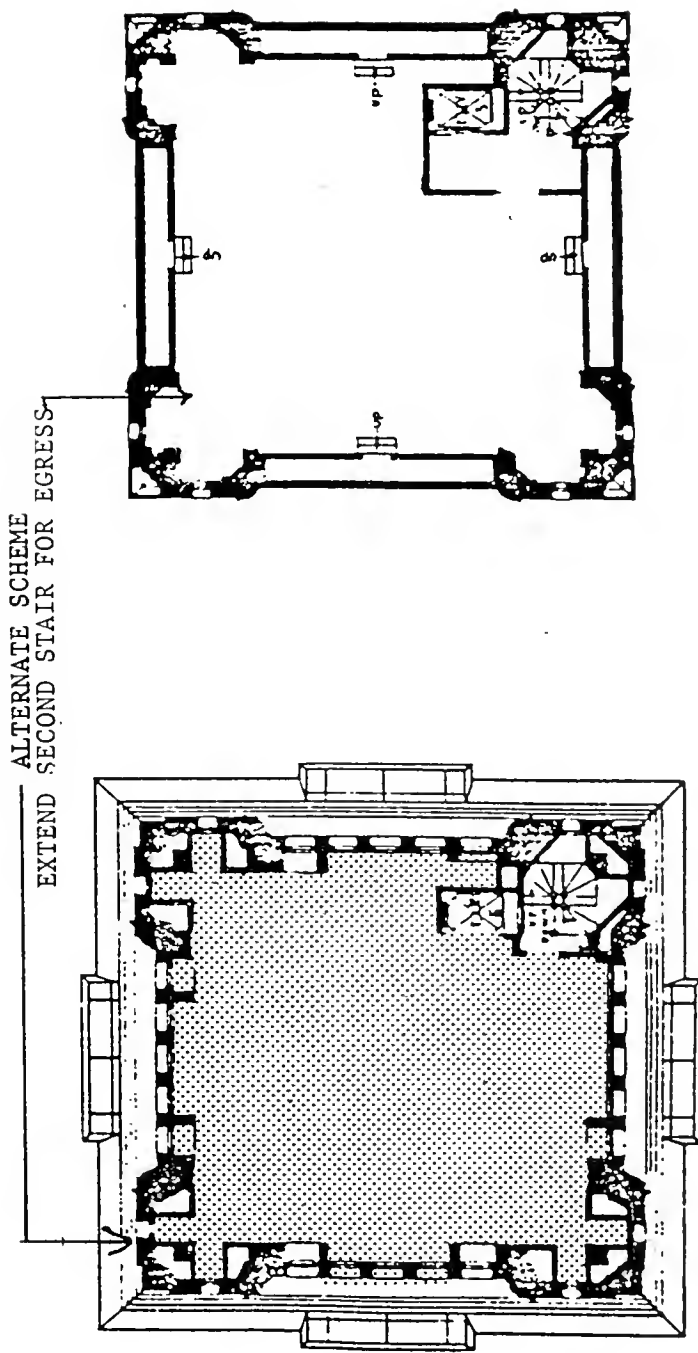
02 6 14 30

CUSTOMS TOWER
Potential Tenant Use Study
July 25 1985

- TENANT SPACE
- TRANSFER LOBBY
- COMMON TO TENANT AND PUBLIC

ALTERNATE SCHEME
EXTEND SECOND STAIR FOR EGRESS





ALTERNATE SCHEME
EXTEND SECOND STAIR FOR EGRESS

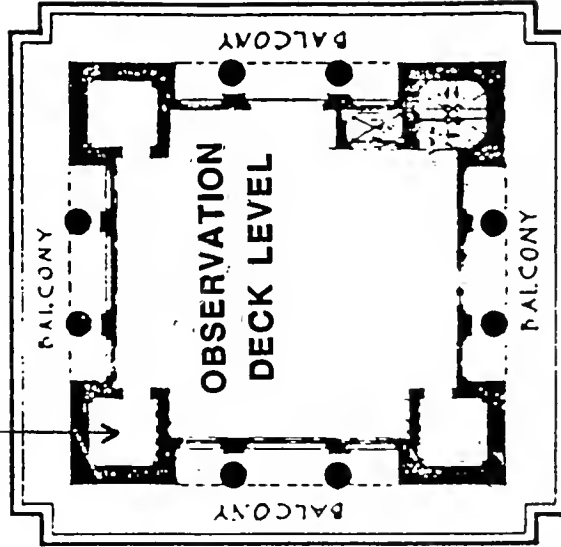
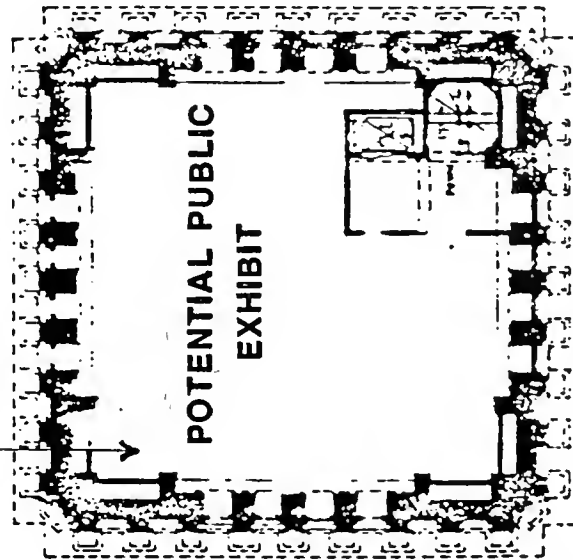
Twenty-Second and Twenty-Third Floors

TENANT TRIPLEX	02	6	14	30
CLOCK MECHANISM				

CUSTOMS TOWER
Potential Tenant Use Study
July 25 1985

ALTERNATE SCHEME

Extend Second Stair For Egress

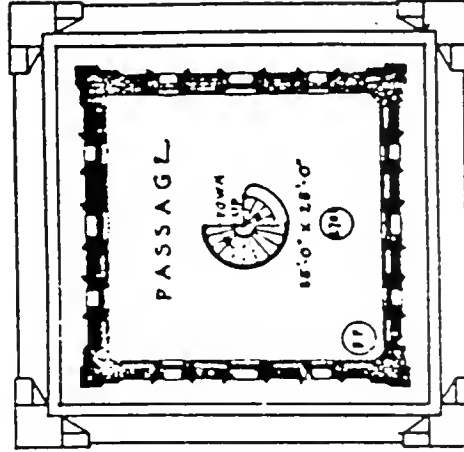
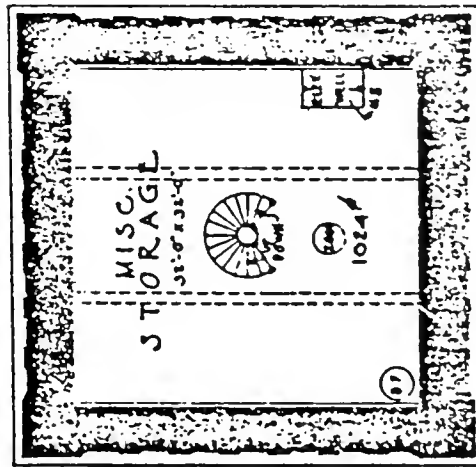
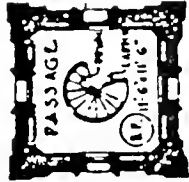
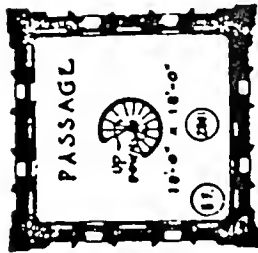


PUBLIC LEVELS

CUSTOMS TOWER
Potential Tenant Use Study
July 25 1985

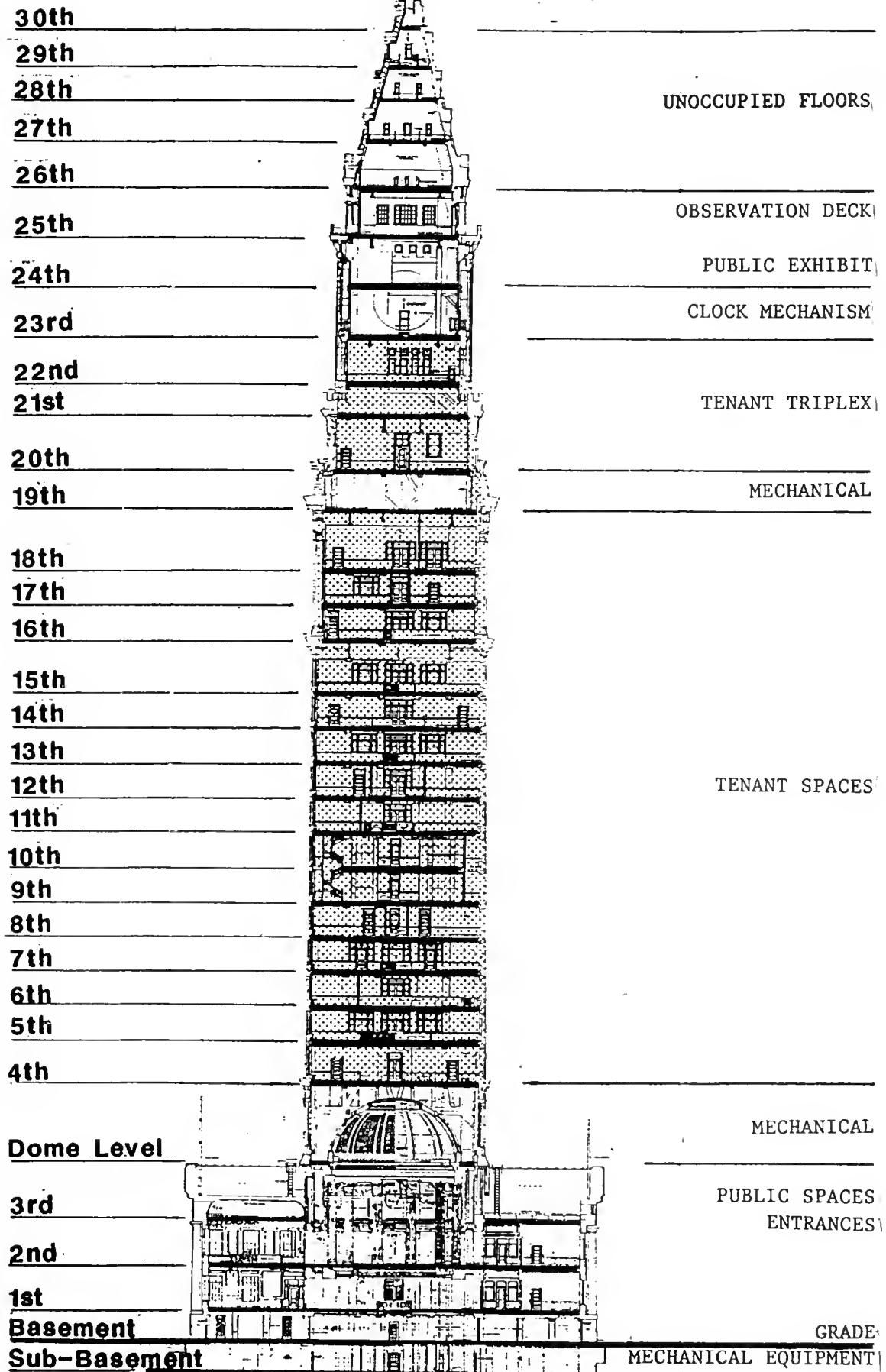
Twenty-Fourth and Twenty-Fifth Floors



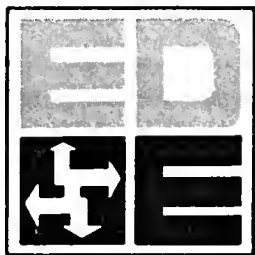


Twenty-Sixth through Thirtieth Floors

UNOCCUPIED FLOORS	C U S T O M S T O W E R				
	Potential Tenant Use Study	July	25	1985	
		02	6	14	30



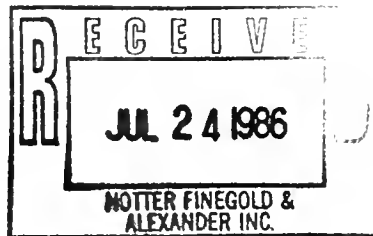
environmental



design

engineers inc.

145 PORTLAND STREET, BOSTON, MASS. 02114
Tel. (617) 742-7434



July 24, 1986

Mr. Pat Morss
Notter, Finegold & Alexander, Inc.
77 North Washington Street
Boston, MA 02114

Re: Custom House - Renovation Feasibility

Gentlemen:

We have examined the building with yourself and have reviewed the small scale drawings of the existing building.

Based upon this, as well as discussions with yourself regarding the potential usage of the building, we have developed the concept for air conditioning and heating the building which we feel would best suit the control and flexibility needs for the future use.

HVAC

We would propose a water source heat pump system which would include a central boiler plant, closed circuit cooler, circulating pumps, and fresh air make-up unit, all located on the Dome Floor (Fourth Floor). A condenser water loop would be piped to each of the tenant office floors with provision for tenants to connect as many water source heat pumps as they require for zone control. Flow control valves would limit the maximum flow for each particular floor and would ensure that each floor's balance would not be disturbed as new floors are occupied.

In addition, each floor would be supplied with tempered make-up air to ensure comfort and to satisfy code requirements for fresh air. Each floor would also include hot water fired baseboard radiation to combat cold down-drafts from the tall windows.

environmental design engineers inc.

Mr. Pat Morss
Re: Custom House - Renovation Feasibility
July 24, 1986
Page Two

This system would ensure maximum flexibility in that each zone of each floor would have individual temperature control to suit particular needs. One zone could heat while another cooled at any time of the year. Each tenant's individual heat pumps could be on separate electric meters with only the central equipment being a shared cost.

PLUMBING

Plumbing should be gut re-habbed. Either the existing plumbing shaft or a new plumbing shaft could be used for this purpose.

FIRE PROTECTION

Fire protection appears to be in good condition and in conformance with modern code. As such, only minor modifications to the existing systems should be required.

COST

We estimate the overall costs for construction as follows:

HVAC	\$495,000
Plumbing	165,000
Fire Protection	10,000
Total Mechanical	<u>\$670,000</u>

Attached is a sketch showing, in a very general manner, the approximate proposed location for major equipment on the Dome Floor.

If you have any further questions, please do not hesitate to call.

Very truly yours,

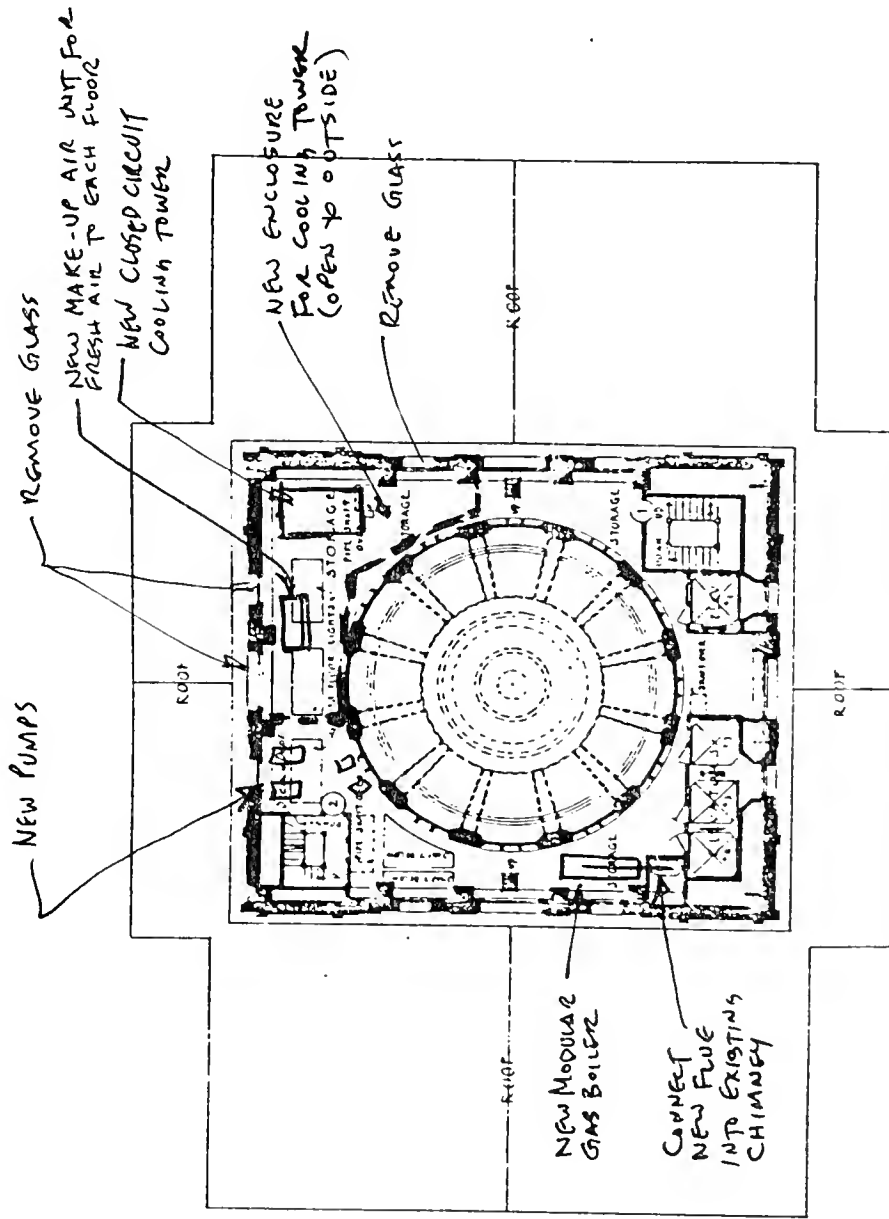
ENVIRONMENTAL DESIGN ENGINEERS, INC.



Rick Dorricott
Project Engineer

RD/tac

Enclosure



PRELIMINARY HVAC PROPOSED EQUIPMENT LAYOUT

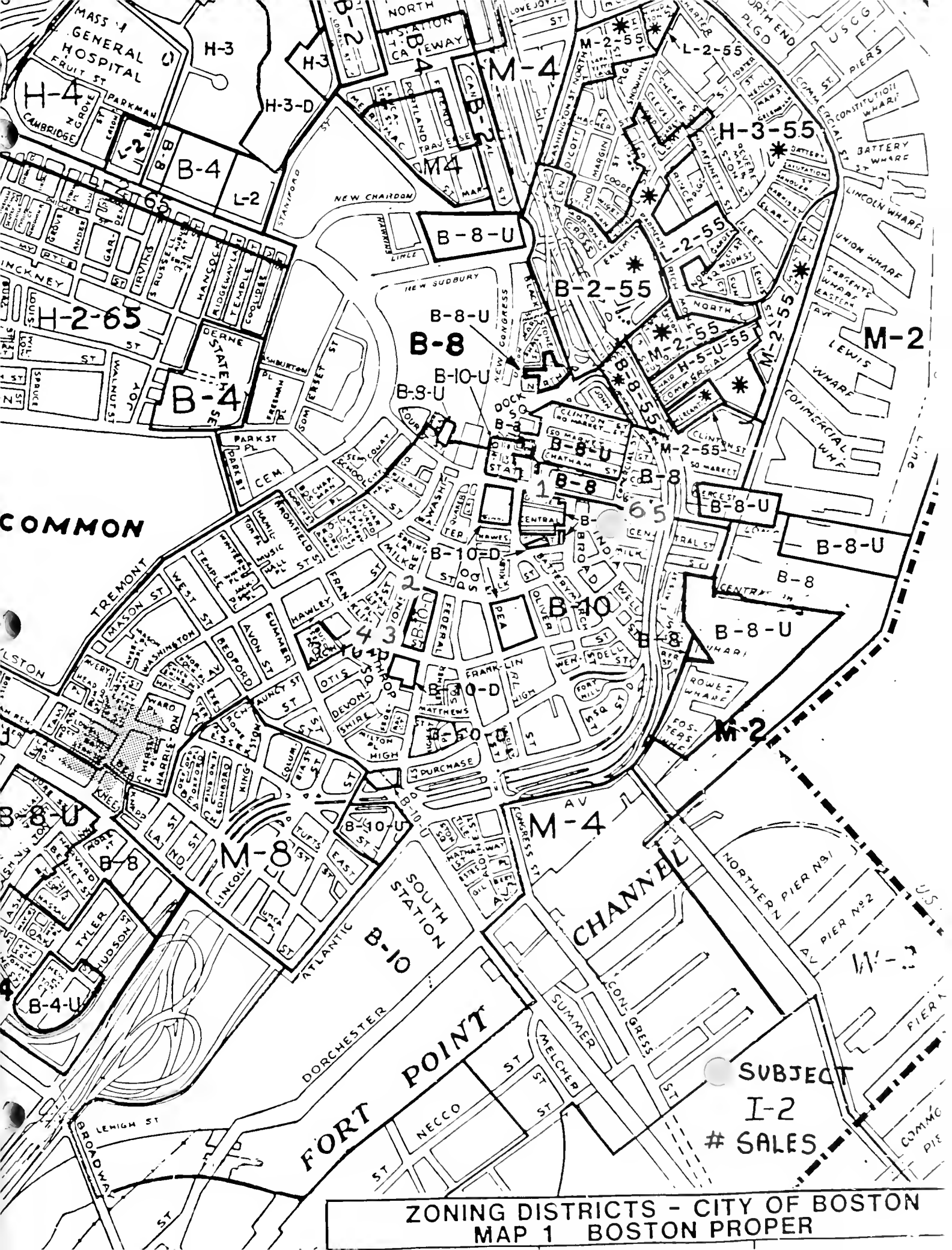
7/23/86
MTD

DOME FLOOR PLAN
U.S. CUSTOMS

EXTENSION:	SCALE 1/8"=1'-0"
UNITED STATES CUSTOM HOUSE BOSTON MASSACHUSETTS PLADDOY & STEARNS ARCHITECTS-BOSTON	6

REVISED BY: [Signature]
DATE: 8/1/86

CONNECTED TO: 11-1-1-1
11-1-1-1
WDC



ZONING DISTRICTS - CITY OF BOSTON
MAP 1 BOSTON PROPER

PHOTO

COMPARABLE SALE # 1



COMPARABLE SALE # 1

LOCATION: 83-85 State Street, Boston, MA

GRANTOR: Frederick G. Comeel, Tr.

GRANTEE: Susan E. Russo, Tr.

DATE OF SALE: April 1, 1986

PRICE: \$2,000,000

LAND AREA: 1,900 SF

FRONTAGE: 27.6' on State Street, 28.3' on Doane Street

BUILDING: This is a 5-story office building containing retail space on the first floor and offices above. Full lot coverage. Gross floor area 9,500 SF. New windows. Currently vacant.

UNIT PRICE: \$211.00 PSF

CASEY & DENNIS
APPRAISERS

14 Beacon Street
Boston, MA 02108

Grantor Address: One Federal St.
Boston, 02110
Brown, Rudnick, Fried & K2388

260

MASSACHUSETTS SAVINGS DEEDS INDIVIDUAL HOME FORM 100
Frederick G. Corneel, Trustee of Holly Trust under Declaration of Trust
dated October 23, 1978, recorded with Suffolk County Registry of Deeds 524
in Book 9139, Page 128 and Tranquility Nominee Realty Trust under
Declaration of Trust dated August 3, 1979, recorded with said Deeds in
Book 9223, Page 329,
Gentry, Massachusetts

being conveyed, for consideration paid, and in full consideration of \$2,000,000.00
grant to Susan E. Russo, Trustee of State Street 85 Realty Trust,
under Declaration of Trust dated April 1, 1986 recorded herewith
with quitclaim covenants
the land in

~~MASSACHUSETTS SAVINGS DEEDS INDIVIDUAL HOME FORM 100~~

A certain parcel of land with the buildings thereon situated
and now numbered 83 and 85 State Street and 10 on Doane Street,
in Boston, Suffolk County, Massachusetts, bounded and described
as follows:

- NORTHERLY by State Street, 27 feet and 6 inches;
- WESTERLY by land and buildings formerly of Moses Wheeler,
41 feet and six inches; still
- WESTERLY by land and buildings now or formerly of the
Atlantic Bank by a line running through a party
wall established by deed from William Lawrence
et al, to the President, Directors, and Company
of the Atlantic Bank, dated April 25, 1831, recorded
with Suffolk Deeds, Book 352, Page 94, 27 feet
and 3 inches;
- SOUTHERLY by Doane Street, 28 feet and 4-3/4 inches; and
- EASTERLY by land formerly of Parks and Lord and now or
late of Eighty-Nine State Street Corporation,
by a line through a party wall, said wall being
established by a deed from Joseph Parley et al
to Elisha Parks and Thomas Lord dated November
13, 1826, and recorded with said Deeds, Book
315, Page 242, 69 feet and 4-1/2 inches.

Said premises contain about 1,900 square feet.

Said premises are conveyed subject to and with the
benefit of outstanding easements, restrictions and agreements
of record insofar as in force and applicable, and existing
leases and tenancies.

For grantor's title see deed of William H. Kent, Trustee
dated November 13, 1978 recorded with said Deeds in Book
9139, Page 135

RECORDS DEPARTMENT OF DEEDS
SUFFOLK COUNTY MASSACHUSETTS

NOV 1 3 35 PM '86

Paul P. Turner
REGISTRAR

Witness hand and seal this

1986

dry of April

1986

Holly Trust

By Frederic G. Corneel
Frederic G. Corneel, Trustee
and not individually

Tranquillity Nominee Realty Trust

By Frederic G. Corneel
Frederic G. Corneel, Trustee
and not individually

12388 261

COMMONWEALTH OF MASSACHUSETTS
DEEDS & EXCISE

48880 900.00

CANCELLED

The Commonwealth of Massachusetts

Suffolk,

at

April

1986

Then personally appeared the above named Frederic G. Corneel, Trustee as
aforesaid

and acknowledged the foregoing instrument to be

his free act and deed, before me

Shirley Dewey
Notary Public - State of Massachusetts

My Commission Expires 1/22 1993

COMMONWEALTH OF MASSACHUSETTS
DEEDS & EXCISE

48876 900.00

CANCELLED

COMMONWEALTH OF MASSACHUSETTS
DEEDS & EXCISE

48876 900.00

CANCELLED

COMMONWEALTH OF MASSACHUSETTS
DEEDS & EXCISE

48877 900.00

CANCELLED

COMMONWEALTH OF MASSACHUSETTS
DEEDS & EXCISE

48876 900.00

CANCELLED

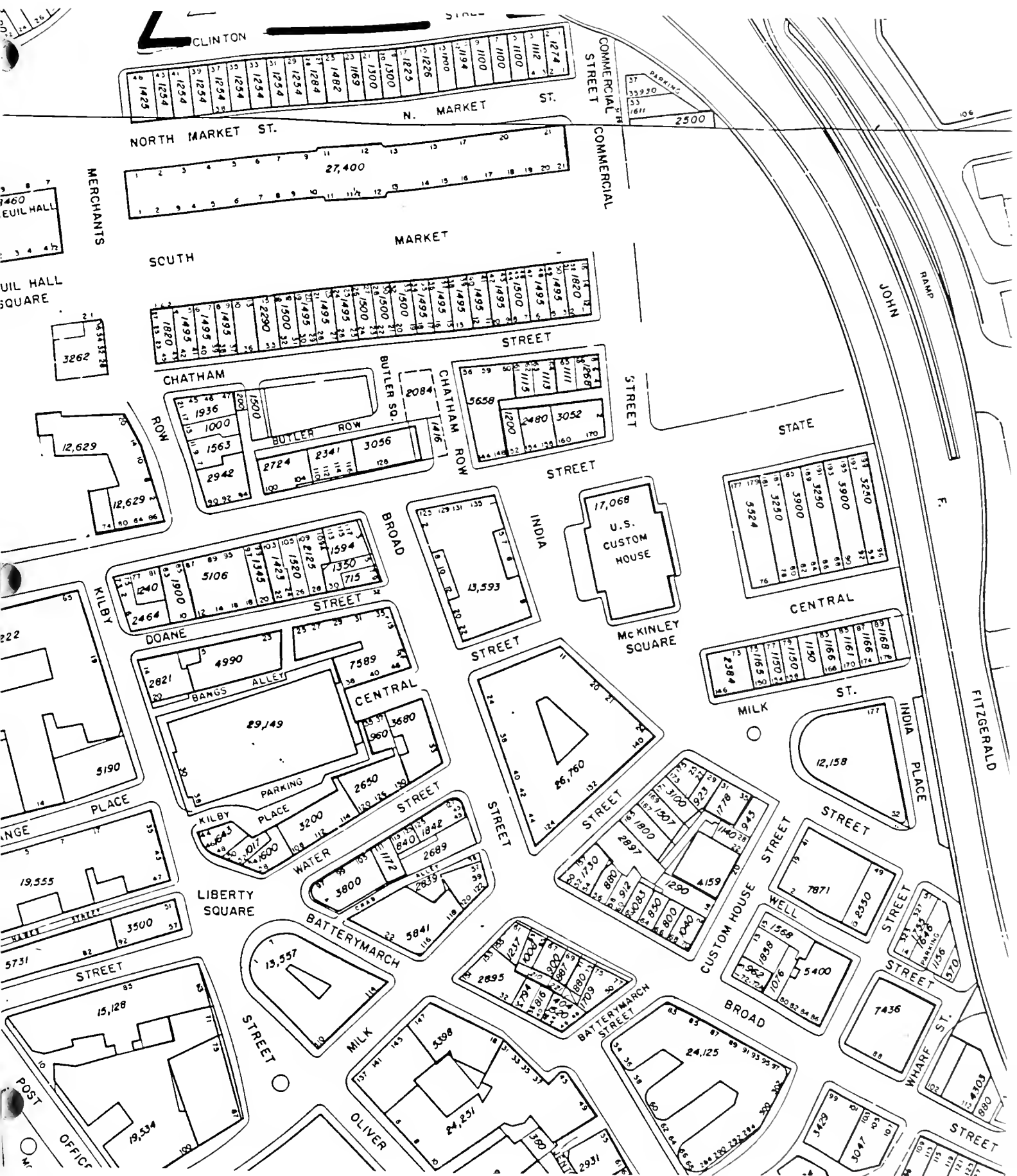
COMMONWEALTH OF MASSACHUSETTS
DEEDS & EXCISE

48876 900.00

CANCELLED

CHAPTER 183 SEC. 6 AS AMENDED BY CHAPTER 497 OF 1969

Every deed presented for record shall contain or have endorsed upon it the full name, residence and post office address of the grantee and a recital of the amount of the full consideration thereof in dollars or the nature of the other consideration therefor, if not delivered for a specific monetary sum. The full consideration shall mean the total price for the conveyance without deduction for any liens or encumbrances assumed by the grantee or remaining thereon. All such endorsements and recitals shall be recorded as part of the deed. Failure to comply with this section shall not affect the validity of any deed. No registrar of deeds shall accept a deed for recording unless it is in compliance with the requirements of this section.



PHOTO

COMPARABLE SALE # 2



COMPARABLE SALE # 2

LOCATION: 161-175 Devonshire Street, Boston, MA

GRANTOR: Edward J. Finn et al, Tr.

GRANTEE: Stanton H. Zarrow, Tr.

DATE OF SALE: December 19, 1985

PRICE: \$14,500,000

LAND AREA: 15,509 SF *

FRONTAGE: 116.58 ft. on Devonshire St., 96.51 ft. on Arch St.

BUILDING: This is a recently renovated 11-story office building with retail space on the first floor (Designers Clothing, Ltd.) known as the Compton Building. The property was built in 1904 and is considered an example of a turn-of-the-century steel frame and a classic revival skyscraper. The structure encompasses 59,000 SF of space.

UNIT PRICE: \$245.76 *

* Includes assignment of ground lease for 45 Milk Street (see deed).

CASEY & DENNIS
APPRAISERS

14 Beacon Street
Boston, MA 02108

12145 094

SUFFOLK COUNTY OF DEFTER
RECORDS DEPARTMENT

5 8

Dec 29 9 11 AM '85

Paul H. Jones
RECORDED

DEED

Edward J. Finn, John E. Murphy and Arthur S. Loring,, as Trustees of Devonshire Land Trust, under a Declaration of Trust dated November 13, 1980, and recorded with Suffolk Registry of Deeds at Book 9602, Page 258, for consideration of Fourteen Million Five Hundred Thousand no/100 Dollars (\$14,500,000.00) paid, grant to Stanton H. Zarrow, as trustee of TCM Devonshire Trust under Declaration of Trust dated December 12, 1985, recorded with at Book Page 7, with an address c/o TCM Realty Advisors, 400 South Hope Street, Suite 600, Los Angeles, California 90071, with quitclaim covenants certain real estate (including, without limitation, all easements, licenses, privileges, hereditaments and appurtenances belonging to or inuring to the benefit of or appurtenant to such real estate) located on following parcels of land:

PARCEL 1

A parcel of registered land situated in Boston, Suffolk County, Massachusetts (inclusive of the building and improvements thereon) now known and numbered as Nos. 161-175 Devonshire Street, being bounded and described as follows:

EASTERLY	on Devonshire Street, 96.23 feet;
SOUTHERLY	on land now or formerly of Samuel Eliot et al., Trustees, by a line running part through a brick wall, 68.12 feet;
WESTERLY	on Arch Street, 96.10 feet;
NORTHERLY	42.71 feet, the line running through a brick wall,
WESTERLY	50/100ths of a foot, the line running through a brick wall; and
NORTHERLY	28.79 feet, all on land formerly of Ralph Cohn et. al, Trustees.

All of said boundaries are determined by the Land Court to be located as shown on a plan drawn by William S. Crocker, Civil Engineer, dated June 10, 1946, as modified and approved by the Court and filed in the Land Registration Office as Plan No. 19943-A, a copy of a portion of which is filed with Certificate of Title No. 48209 issued by the Suffolk Registry District of the Land Court. Being the land described in Land Court Certificate of Title No. 91110.

93658 and 93452

-2-

PARCEL 2

The land situated on the westerly side of Devonshire Street (inclusive of the building and improvements thereon) now known and numbered as 159 Devonshire Street in said Boston, being shown on a plan entitled "Plan of Land Boston, Mass.", dated December 1, 1980 prepared by Harry R. Feldman, Inc. recorded in Book 9620, Page 26, Suffolk Registry of Deeds, as Parcel 4 and being bounded and described according to said plan, as follows:

EASTERLY	on Devonshire Street, by two lines measuring 4.77 feet and 15.58 feet;
NORTHERLY	by Parcel 1 shown on said plan, 25.27 feet;
WESTERLY AND NORTHWESTERLY	by Parcel 3 shown on said plan, by three lines measuring 5.85 feet, 10.17 feet, and 7.10 feet;
NORTHERLY	by said Parcel 3, 38.67 feet;
WESTERLY	on Arch Street, 0.5 feet; and
SOUTHERLY AND EASTERLY	on land described in Land Court Certificate of Title No. 93456 (as shown on said Land Court Plan No. 19943-A by three lines measuring 42.71 feet, 0.5 feet and 28.79 feet, said lines running in part through a brick wall.

45 Milk Street

The following described parcels of land situated in Boston, Suffolk County, Massachusetts (exclusive of the building thereon) being shown on a plan entitled "Plan of Land Boston, Mass.", dated December 1, 1980, prepared by Harry R. Feldman, Inc., recorded in Book 9620, Page 26, Suffolk Registry of Deeds, as Parcels 1 and 3:

PARCEL 1

The land situated on the southerly side of Milk Street between Devonshire Street and Arch Street in said Boston, now known and numbered as 45 Milk Street, being shown as Parcel 1 on said plan and being bounded and described, according to said plan, as follows:

NORTHERLY on Milk Street, 83.67 feet;
 WESTERLY on Arch Street, 91.70 feet;
 SOUTHERLY and WESTERLY by Parcels 3 and 4 shown on said plan, by three lines measuring 47.25 feet, 5 feet and 26.34 feet; and
 EASTERLY on Devonshire Street, 90.07 feet.

PARCEL 2

The land situated on the easterly side of Arch Street in said Boston now known and numbered as 18 and 20 Arch Street, being shown as Parcel 3 on said plan and being bounded and described, according to said plan, as follows:

WESTERLY on Arch Street, 24.83 feet;
 SOUTHERLY by Parcel 4 shown on said plan, 38.67 feet;
 EASTERLY and SOUTHEASTERLY by said Parcel 4, by three lines measuring 5.85 feet, 10.17 feet and 7.10 feet; and
 NORTHERLY and EASTERLY by Parcel 1 shown on said plan, by three lines measuring 1.07 feet, 5 feet and 47.25 feet.

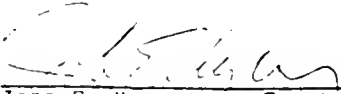
Being the same premises as conveyed to the Grantor by Deed from CDM, Inc. dated December 16, 1980 recorded with Suffolk Registry of Deeds at Book 9620, Pages 36, Deed from CDM, Inc. dated December 16, 1980 recorded with Suffolk Registry of Deeds at Book 9620, Page 47, and by Deed from John E. Morgan as Trustee of Water Street Trust-2 dated December 14, 1985 recorded with

and 47

J.E.M.

Suffolk Registry of Deeds at Book , Page . For
Grantor's title see also Certificate of Title No. 93456
registered on January 16, 1981.

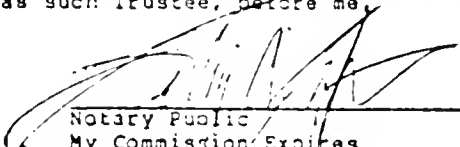
EXECUTED as a sealed instrument this 19 day of December,
1985.


John E. Murphy, as Trustee of
Devonshire Land Trust and
not Individually.

Commonwealth of Massachusetts
Suffolk County

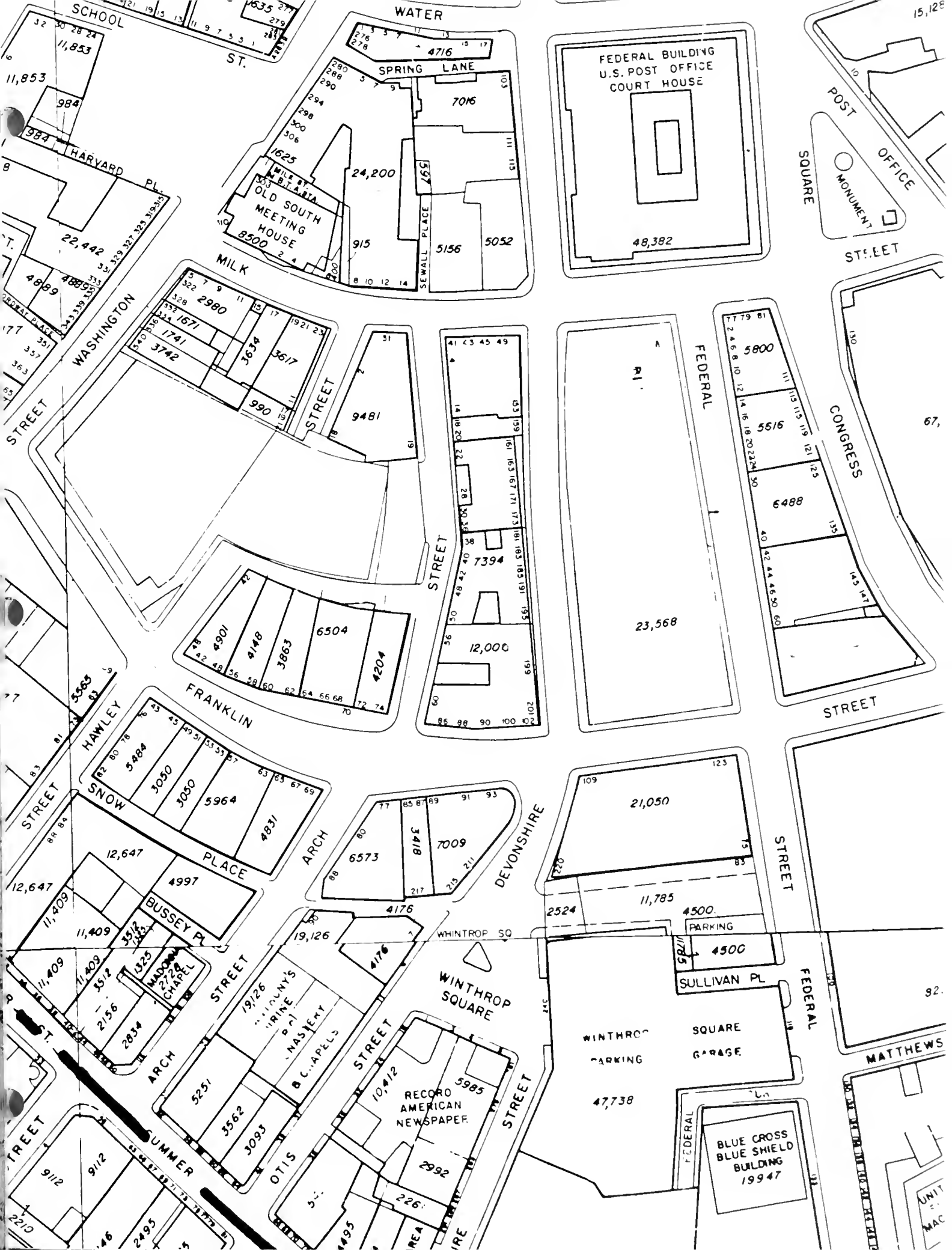
December 19, 1985

Then personally appeared the above-named John E. Murphy and
acknowledged the foregoing instrument to be his free act and deed
and his free act and deed as such Trustee, before me.


Notary Public
My Commission Expires

SEALS A. STEVENSON, NOTARY PUBLIC
MY COMMISSION EXPIRES FEB. 15, 1991

Excise stamps in the amount of \$33,060.00
have been placed on counterpart of this deed
recorded 12/19/85 as document # 399436 in
Suffolk County Land Court.



PHOTO

COMPARABLE SALE # 3



COMPARABLE SALE # 3

LOCATION: 100 Franklin St., Boston, MA

GRANTOR: Edward J. Finn et al

GRANTEE: William M. Sommer, Tr.

DATE OF SALE: December 12, 1985

PRICE: \$15,000,000

LAND AREA: 12,000 SF

FRONTAGE: 127.04 ft. on Franklin St., 109.31 ft. on Arch St.,
107.76 on Devonshire St.

BUILDING: This is a nine-story and mezzanine building constructed in 1903. The exterior finish is limestone and marble. Bank of New England is the principal tenant occupying 20,264 SF in the first floor, mezzanine and basement, which contains safe deposit vaults. Net rentable area is 96,839 SF. The building was most recently upgraded in 1979.

UNIT PRICE: \$155.00 PSF

CASEY & DENNIS
APPRAISERS

14 Beacon Street
Boston, MA 02108

12117 024

111

SUFFOLK REGISTRY OF DEEDS
REC'D ENT'D & EXAM. ATTESTDEED

Dec 12 4 10 PM '85

Edward J. Finn, John E. Murphy and Arthur J. Loring
Trustees of Devonshire Land Trust under Declaration of Trust
dated November 13, 1980 and recorded with Suffolk Registry
of Deeds at Book 9602, Page 258, for consideration of Fifteen
Million and no/100 Dollars (\$15,000,000.00) paid grant to
William M. Sommer, as Trustee of Franklin Street Trust under
Declaration of Trust dated September 20, 1985 recorded with
Suffolk Registry of Deeds, at Book _____, Page _____, with an
address 896 Beacon Street, Boston, Massachusetts 02215, with
quitclaim covenants that certain parcel of land (together with
the building thereon) now known as and numbered 100 Franklin
Street and 201 Devonshire Street, Boston, Massachusetts, shown
on a plan entitled "Plan of Land, Boston, Mass.", dated December
11, 1979, drawn by Harry R. Feldman, Inc., recorded with Suffolk
Registry of Deeds in Book 9346, Page 205, being more particularly
bounded and described, according to said plan, as follows:

SOUTHERLY

by Franklin Street, on a curved line
having a radius of three hundred
ninety-three (393.00) feet, one
hundred twenty-seven and 04/100
(127.04) feet;

WESTERLY

by Arch Street, one hundred nine
and 31/100 (109.31) feet;

NORTHERLY

by land now or formerly of the
Trustees of Unity Building Trust,
on a line running through a party
wall, twenty-seven and 64/100
(27.64) feet;

NORTHEASTERLY

by said land now or formerly of the
Trustees of Unity Building Trust,
along the face of a wall, 17/100
(0.17) feet;

NORTHERLY

by said land now or formerly of the
Trustees of Unity Building Trust,
along the face of a wall, twenty-
five and 50/100 (25.50) feet;

NORTHWESTERLY

by said land now or formerly of the
Trustees of Unity Building Trust,
along the face of a wall, 15/100
(0.15) feet;

NORTHERLY

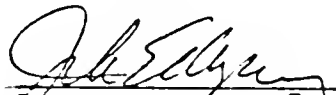
by said land now or formerly of the Trustees of Unity Building Trust, on a line running through a party wall thirty-six and 92/100 (36.92) feet; and

EASTERLY

by Devonshire Street, one hundred seven and 76/100 (107.76) feet.

Being the same premises as conveyed to the Grantor by Deed from Combined Jewish Philanthropies of Greater Boston, Inc. dated January 26, 1981 recorded with Suffolk Registry of Deeds at Book 9660, Page 203 and by Deed from John E. Murphy, as Trustee of Water Street Trust-B dated December 12, 1985 recorded with Suffolk Registry of Deeds at Book _____, Page _____.

EXECUTED as a sealed instrument this 12th day of December, 1985.



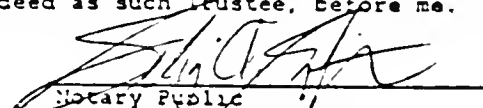
John E. Murphy, as Trustee of
Devonshire Land Trust and
not individually

COMMONWEALTH OF MASSACHUSETTS

SUFFOLK COUNTY

December 12, 1985

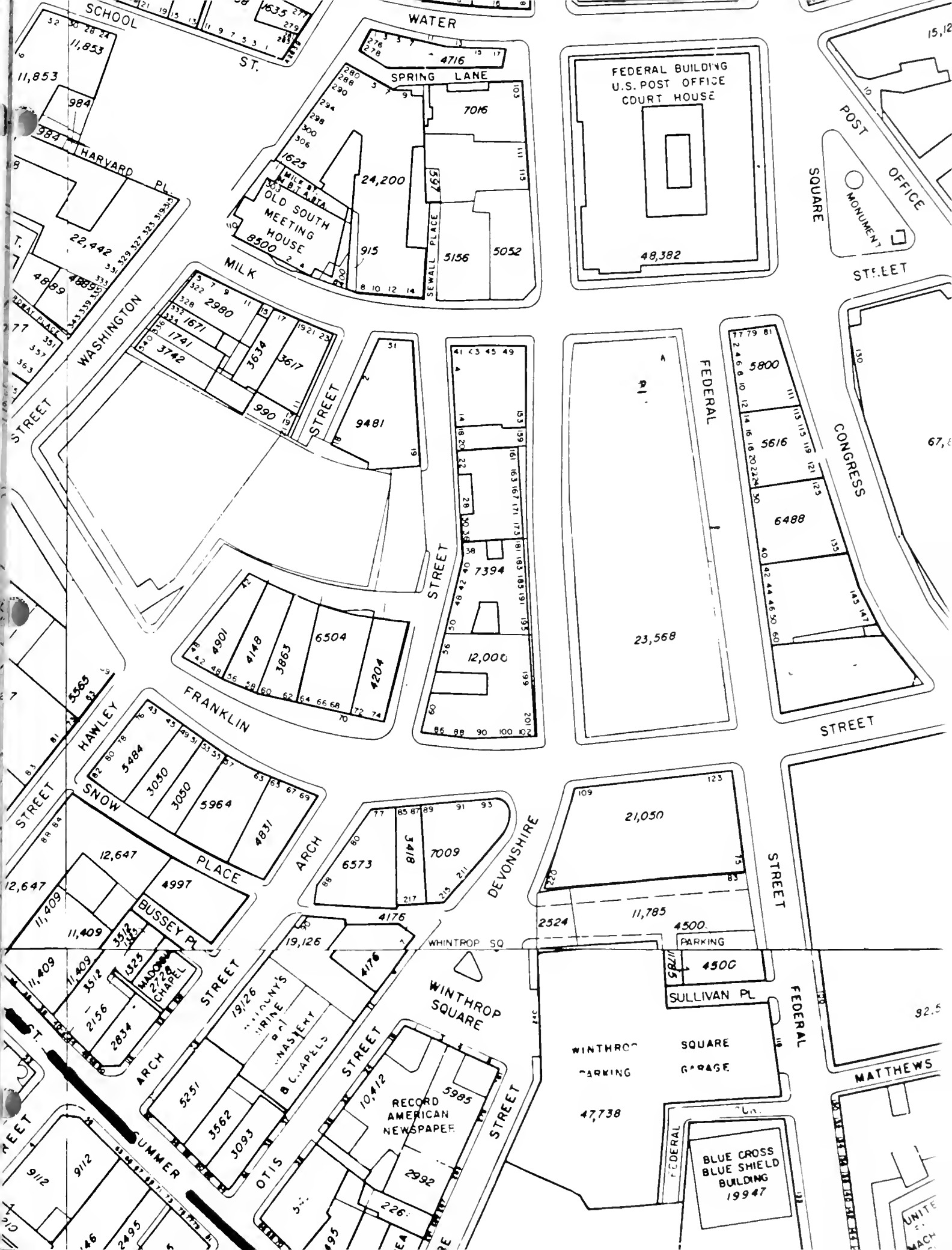
Then personally appeared the above named John E. Murphy and acknowledged the foregoing instrument to be his free act and deed and his free act and deed as such Trustee, before me.



Notary Public
My Commission Expires

SEELIS A. SALTZMAN, NOTARY PUBLIC
MY COMMISSION EXPIRES FEB. 15, 1987

Stamps in the amt. of \$34,200.00 have been
affixed ^{in lieu of} ~~and~~ deed of even date from Edward Finn et al Trustee
to Devonshire Land Trust recorded herewith



PHOTO

COMPARABLE SALE # 4



COMPARABLE SALE # 4

LOCATION: 65-71 Franklin Street

GRANTOR: Martin S. Berman and Lila Gross

GRANTEE: Mack Rogue et al

DATE OF SALE: June 18, 1985

PRICE: \$2,500,000

LAND AREA: 4,831 SF

FRONTAGE: 51.76' on Franklin Street, 107.26' on Arch Street

BUILDING: This is a 5-story and basement building, circa 1900, which contains 4,800 SF per floor, or a total area excluding the basement of 24,000 SF. At present there is a gut rehabilitation program underway. The first floor is retail space with offices above.

UNIT PRICE: \$104.00 PSF (shell cost)

CASEY & DENNIS
APPRAISERS

14 Beacon Street
Boston, MA 02108

DEED

We, MARTIN S. BERMAN AND LILA GROSS for consideration paid, and in full consideration of TWO MILLION FIVE HUNDRED THOUSAND AND NO/100THS (\$2,500,000.00) DOLLARS grant to Mack Pogue, William C. Duvall and John B. Hynes, III, as Trustees of 65 FRANKLIN TRUST u/d/t dated June 6, 1985 and recorded with the Suffolk County Registry of Deeds concurrently herewith, having an office c/o Lincoln Property Company, C.S.E., Inc., One Post Office Square, Boston, Massachusetts 02109 with QUITCLAIM COVENANTS:

A certain parcel of land, with the buildings thereon situated in Boston, Suffolk County, Massachusetts, now known as and numbered 65-71 Franklin Street and 83-85 Arch Street, and shown on a Plan dated July 17, 1916, by Aspinwall & Lincoln, Civil Engineers, recorded with said Deeds in Book of Plans 7238, Plan 71.

Said parcel is bounded and described as follows:

NORTHEASTERLY: on Franklin Street, fifty-one and 76/100 (51.76) feet; and

SOUTHEASTERLY: on Arch Street, one hundred seven and 26/100 (107.26) feet; and

SOUTHWESTERLY: by a passageway leading from Arch Street to Hawley Street, forty-one and 09/100 (41.09) feet; and

NORTHWESTERLY: by land now or formerly of President and Fellows of Harvard College by a line running through the middle of a twenty (20) inch wall, one hundred four and 12/100 (104.12) feet.

Or however otherwise said premises may be bounded or described and by any or all of said measurements more or less.

Said premises are hereby conveyed subject to a grant to the Boston Edison Company dated April 29, 1946, recorded with said Deeds in Book 6224, Page 563.

Said premises above described are hereby conveyed together with all the right, title and interest, if any, in and to that portion of a certain passageway known as Snow Place running from Arch Street to Hawley Street in the rear of 65-71 Franklin Street, conveyed by Simmons College to William J. Stober and

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those claiming title under him (as their interests may appear as owners of the premises 65-71 Franklin Street and 83-85 Arch Street, Boston) by deed dated June 7, 1957, recorded with said Deeds in Book 7243, Page 58.

Said premises are hereby conveyed subject to and with the benefit of easements, passageway rights and other rights of record, insofar as the same may now be in force and applicable.

For reference to our title see Deed from Roberta E. Happ, as Trustee of FRANKLIN-ARCH TRUST to Martin S. Berman and Harry M. Shuman, dated August 2, 1973, and recorded with said Deeds in Book 8650, Page 37 and Deed from Harry M. Shuman to Lila Gross dated September 10, 1976 and recorded with said Deeds in Book 9057, Page 645.

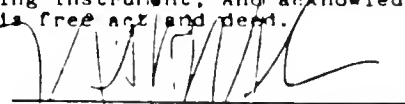
Witness our hands and seals this 18th day of June, 1985.


Martin S. Berman


Lila Gross

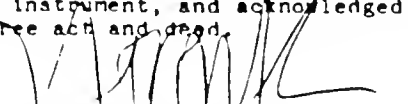
COMMONWEALTH OF MASSACHUSETTS)
COUNTY OF SUFFOLK)

On this 18th day of June, 1985, before me personally appeared MARTIN S. BERMAN to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed.


Notary Public NEIL R. MARKSON
My Commission Expires: 20 Oct 20, 1990

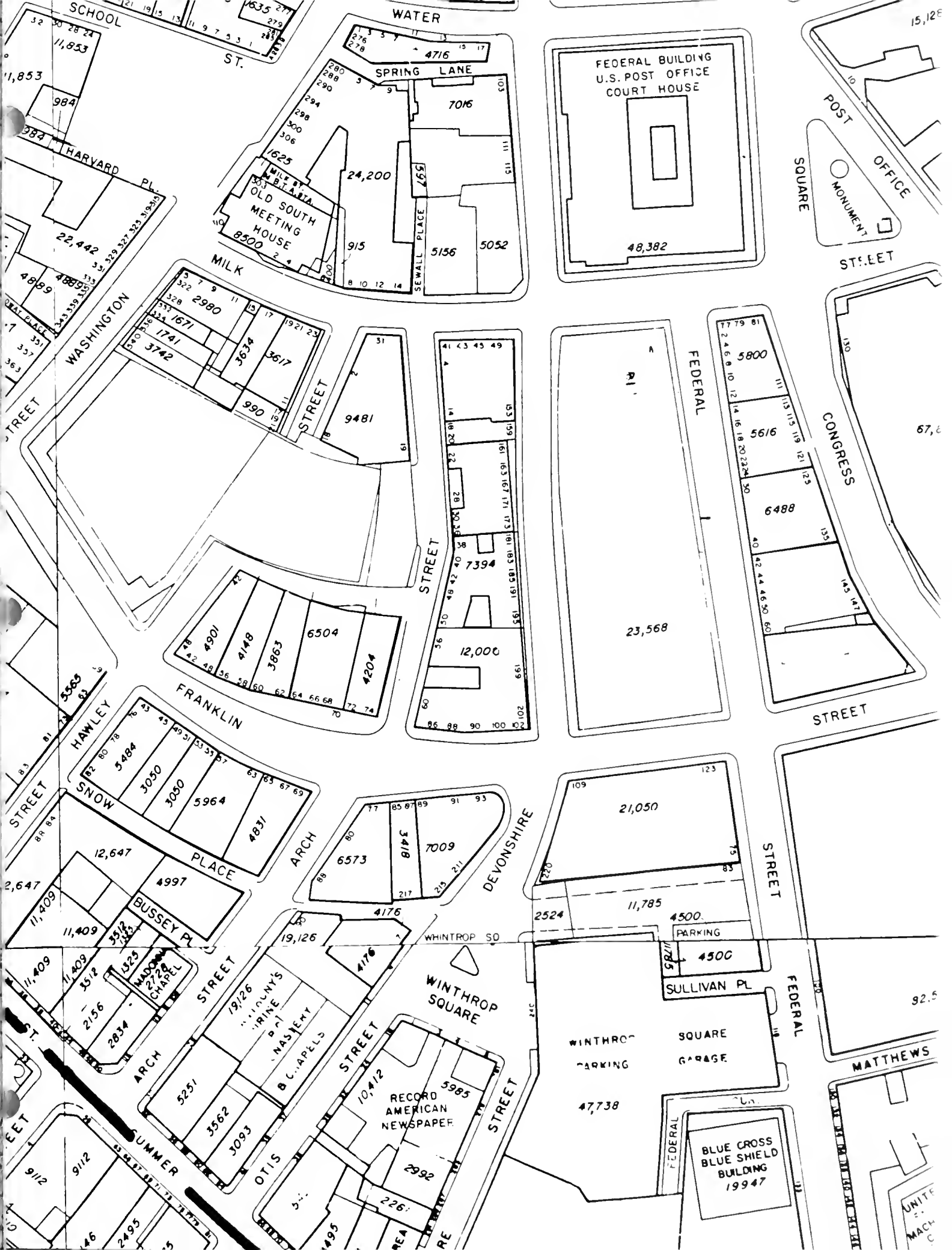
COMMONWEALTH OF MASSACHUSETTS)
COUNTY OF SUFFOLK)

On this 13th day of June, 1985, before me personally appeared LILA GROSS to me known to be the person described in and who executed the foregoing instrument, and acknowledged that she executed the same as her free act and deed.


Notary Public NEIL R. MARKSON
My Commission Expires: 20 Oct 20, 1990

(OVER)

My Commission Expires October 20, 1990



SCHOOL ST
11,853
984
HARVARD PL
22,442
WASHINGTON ST
4889
357
363

WATER
4716
SPRING LANE
7016
24,200
OLD SOUTH MEETING HOUSE
8500
915
SEWALL PLACE
5156
5052

FEDERAL BUILDING
U.S. POST OFFICE
COURT HOUSE
48,382

15,12E
POST OFFICE
MONUMENT
STREET

WASHINGTON ST
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CONGRESS STREET
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FRANKLIN ST
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PHOTO

COMPARABLE SALE # 5



COMPARABLE SALE # 5

LOCATION: 197-199 State Street, Boston, MA

GRANTOR: Michael E. Deluty, Tr.

GRANTEE: 199 State Street Limited Partnership

DATE OF SALE: January 7, 1985

PRICE: \$2,400,000 (Mortgage \$3,500,000)

LAND AREA: 3,250 SF

FRONTAGE: 25 ft. on State Street, 25 ft. on Central Street

BUILDING: This is a 5-story granite structure containing retail space on the first floor and offices above. Full lot coverage. Gross floor area 16,250 SF.

UNIT PRICE: \$147.69

CASEY & DENNIS
APPRAISERS

14 Beacon Street
Boston, MA 02108

SUFFOLK COUNTY DEEDS
RECORDING & EXAMINATION

JAN 7 2 35 PM '85

Paul P. Turner
REGISTER

From: Michael E. Deluty, Trustee of the Ninja Realty Trust under a Declaration of Trust dated March 17, 1969 recorded with Suffolk County Registry of Deeds, Book 8335, Page 666 of Boston, Suffolk County, Massachusetts for consideration of Two Million Four Hundred Thousand and 00/100 (\$2,400,000.00)

Grants

To: 199 State Street Limited Partnership, McNeil & Associates, Inc., sole general partner
420 Providence Highway
Westward Ma. 02090

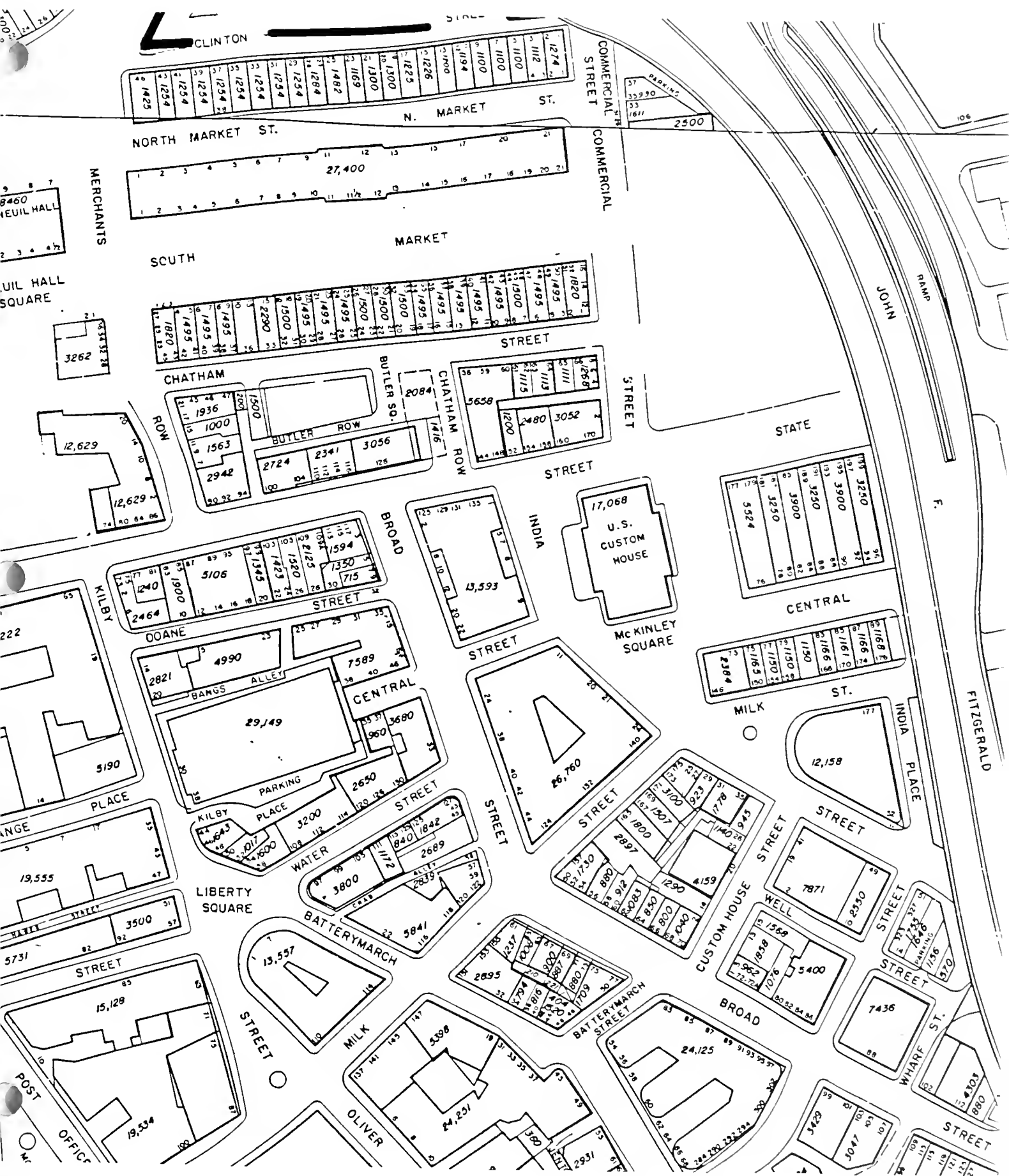
With. Quitclaim Covenants

The land, with the buildings thereon, situated at and now numbered 197-199 State Street in Boston, Suffolk County, Massachusetts, shown as Lot 7 on a plan made by Alexander Wadsworth, recorded with Suffolk Deeds, Book 718 End, and bounded and described as follows:

NORTHERLY	On State Street as shown on said plan, there measuring twenty-five (25) feet;
WESTERLY	By Lot numbered 6 on said plan by a line through the center of the brick partition wall there measuring one hundred thirty (130) feet;
SOUTHERLY	By Central Street as shown on said plan, there measuring twenty-five (25) feet; and,
EASTERLY	By Lot numbered 8 on said plan by a line through the center of the brick partition wall measuring one hundred thirty (130) feet.

Being the premises conveyed to the Grantor by Riverside Inc., by deed dated December 31, 1969 recorded with

1/7/85



PHOTO

COMPARABLE SALE # 6



COMPARABLE SALE # 6

LOCATION: 181-183 State Street, Boston, MA

GRANTOR: Steven T. Watchmaker et al, Tr.

GRANTEE: Sally Smart, Tr.

DATE OF SALE: January 30, 1984

PRICE: Deed states less than \$100, no stamps
\$3,200,000 per Grantee

LAND AREA: 3,250 SF

FRONTAGE: 25 ft. on State Street, 25 ft. on Central Street

BUILDING: Seven-story granite building with retail on the first
and offices above. Full lot coverage. Gross floor area
is 21,700 SF.

UNIT PRICE: \$147.46 PSF

CASEY & DENNIS
APPRAISERS

14 Beacon Street
Boston, MA 02108

STEVEN J. WATCHMAKER and NEIL ZAIS, Trustees of STATE STREET ASSOCIATES REALTY TRUST under a Declaration of Trust dated August 12, 1983 and recorded in Suffolk County Registry of Deeds in Book 10482 at Page 114 and having a mailing address at 183 State Street, Boston, Massachusetts 02109, grants to SALLY SMART, Trustee of State Street 183 Nominee Trust under a Declaration of Trust dated January 31, 1984, and recorded herewith, with QUITCLAIM COVENANTS the land together with the buildings thereon now known and numbered thereas 181-183 State Street, Boston, and being more particularly described as follows:

That lot of land with the buildings thereon in Boston, County of Suffolk, and said Commonwealth, shown as Lot #3 on a plan made by Alexander Wadsworth entitled "Plan of a Portion of the Properties of Long Wharf or Boston Pier and the Central Wharf Wet Dock Corp." recorded with Suffolk Deeds in Book 718 at Page 313 (end) and bounded and described as follows:

NORTHERLY: on State Street, extended as shown on said plan twenty-five (25) feet;
WESTERLY: by Lot 1 and Lot 2 on said plan by a line through the centre of the partition wall, one hundred thirty (130) feet;
SOUTHERLY: by Central Street extended as shown on said plan twenty-five (25) feet; and
EASTERLY: by Lot 4 on said plan by a line through the centre of the partition walls, one hundred thirty (130) feet;

together with the rights, easements, privileges, and appurtenances, and subject to the agreements, stipulations, restrictions and provisions to which said lot of land is entitled or subjected of record.

Being the same premises conveyed to the Grantors by deed recorded in Book 10482 at Page 117.

The consideration for the within transfer is less than One Hundred (\$100.00) Dollars.

Each of the undersigned do hereby warrant, represent, and certify that they are the sole Trustees of said Trust, that said Trust has not been altered, amended, revoked or terminated and is in full force and effect, that State Street Associates, a Massachusetts Limited Partnership of which the undersigned are the sole general partners, is and has been since the creation of said Trust, the sole beneficiary of said Trust, and that the undersigned have been authorized and directed by said beneficiary to execute, acknowledge, and deliver the within deed for the consideration herein stated.

WITNESS our hands and seals this 30th day of January, 1984.

STATE STREET ASSOCIATES REALTY TRUST

BY: 
STEVEN J. WATCHMAKER, TRUSTEE

BY: 
NEIL ZAIS, TRUSTEE

The land with the buildings thereon now known as and numbered 181-183 State Street, Boston, Massachusetts, shown as Lot No. 3 on a plan by Alexander Wadsworth entitled "Plan of a Portion of the Properties of the Long Wharf or Boston Pier and Central Wharf Wet Dock Corp." recorded with Suffolk Deeds at Book 718, Page 313 (End) being more particularly bounded and described as follows:

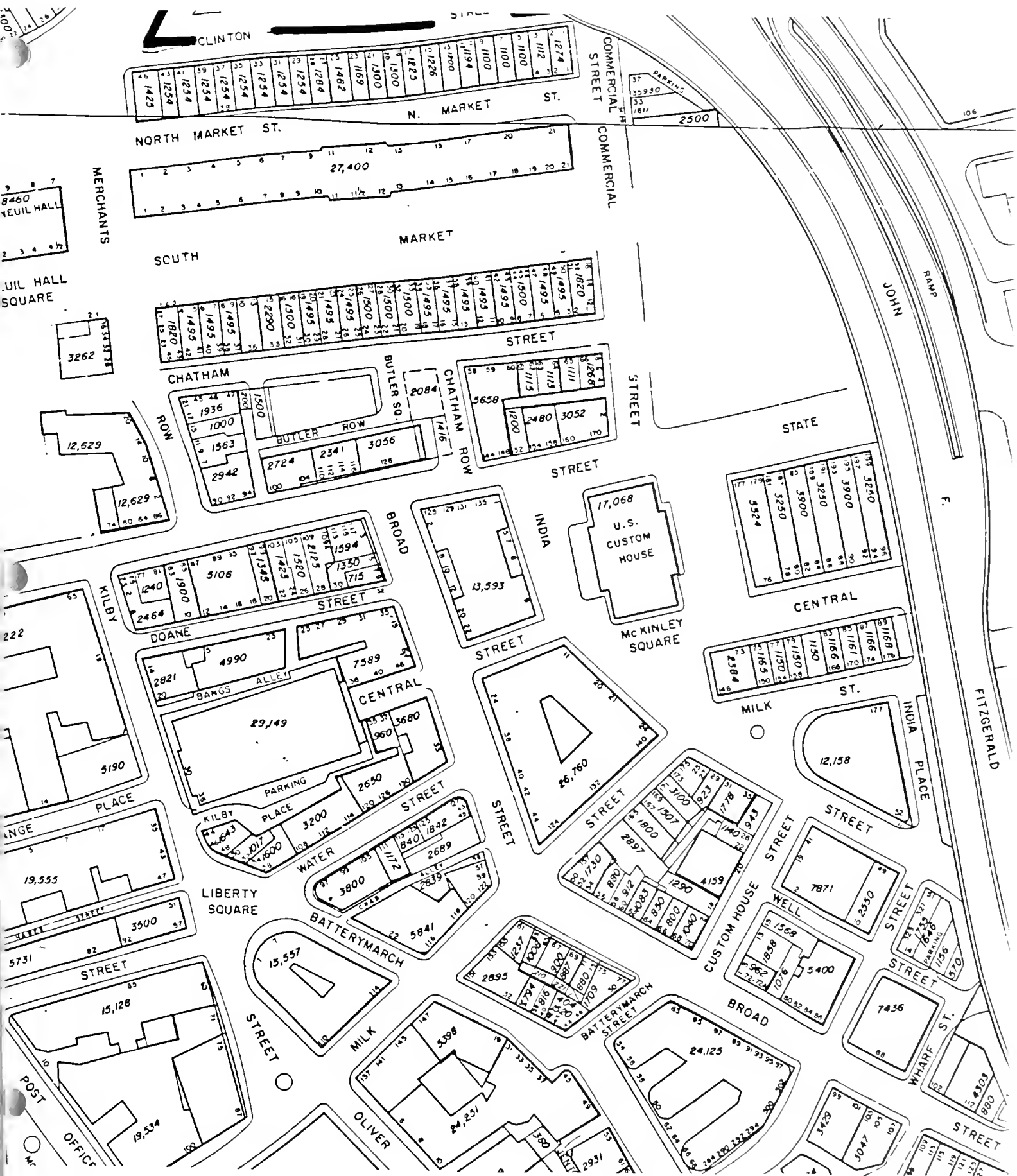
NORTHERLY: on State Street extended as shown on said plan, twenty-five (25) feet;

WESTERLY: by Lot 1 and Lot 2 on said plan by a line through the centre of the partition wall, one hundred thirty (130) feet;

SOUTHERLY: by Central Street extended as shown on said plan, twenty-five (25) feet; and

EASTERLY: by Lot 4 on said plan by a line through the centre of the partition walls, one hundred thirty (130) feet;

20,128(21)
1/23/84-TK



U.S. Department
of the Interior

National Park Service

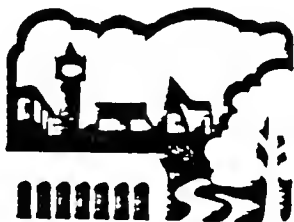
THE SECRETARY OF THE INTERIOR'S

STANDARDS FOR REHABILITATION

and Guidelines for Rehabilitating
Historic Buildings

Reprinted April, 1982
Department of the State Secretary
Massachusetts Historical Commission

Michael Joseph Connolly, Chairman



MASSACHUSETTS
HISTORICAL
COMMISSION

"Rehabilitation means the process of returning a property to a state of utility, through repair or alteration, which makes possible an efficient contemporary use while preserving those portions and features of the property which are significant to its historic, architectural, and cultural values."

The following "Standards for Rehabilitation" shall be used by the Secretary of the Interior when determining if a rehabilitation project qualifies as "certified rehabilitation" pursuant to the Tax Reform Act of 1976, the Revenue Act of 1978, and the Economic Recovery Tax Act of 1981. These standards are a section of the Secretary's "Standards for Historic Preservation Projects" and appear in Title 36 of the Code of Federal Regulations, Part 67 (formerly 36 CFR Part 1208).

1. Every reasonable effort shall be made to provide a compatible use for a property which requires minimal alteration of the building, structure, or site and its environment, or to use a property for its originally intended purpose.
2. The distinguishing original qualities or character of a building, structure, or site and its environment shall not be destroyed. The removal or alteration of any historic material or distinctive architectural features should be avoided when possible.
3. All buildings, structures, and sites shall be recognized as products of their own time. Alterations that have no historical basis and which seek to create an earlier appearance shall be discouraged.
4. Changes which may have taken place in the course of time are evidence of the history and development of a building, structure, or site and its environment. These changes may have acquired significance in their own right, and this significance shall be recognized and respected.
5. Distinctive stylistic features or examples of skilled craftsmanship which characterize a building, structure, or site shall be treated with sensitivity.
6. Deteriorated architectural features shall be repaired rather than replaced, wherever possible. In the event replacement is necessary, the new material should match the material being replaced in composition, design, color, texture, and other visual qualities. Repair or replacement of missing architectural features should be based on accurate duplications of features, substantiated by historic, physical, or pictorial evidence rather than on conjectural designs or the availability of different architectural elements from other buildings or structures.

7. The surface cleaning of structures shall be undertaken with the gentlest means possible. Sandblasting and other cleaning methods that will damage the historic building materials shall not be undertaken.
8. Every reasonable effort shall be made to protect and preserve archeological resources affected by, or adjacent to any project.
9. Contemporary design for alterations and additions to existing properties shall not be discouraged when such alterations and additions do not destroy significant historical, architectural or cultural material, and such design is compatible with the size, scale, color, material, and character of the property, neighborhood or environment.
10. Wherever possible, new additions or alterations to structures shall be done in such a manner that if such additions or alterations were to be removed in the future, the essential form and integrity of the structure would be unimpaired.

GUIDELINES FOR APPLYING THE SECRETARY OF THE INTERIOR'S STANDARDS FOR REHABILITATION

The following guidelines are designed to help individual property owners formulate plans for the rehabilitation, preservation, and continued use of historic buildings consistent with the intent of the Secretary of the Interior's "Standards for Rehabilitation." The guidelines pertain to buildings of all occupancy and construction types, sizes, and materials. They apply to permanent and temporary construction on the exterior and interior of historic buildings as well as new attached or adjacent construction.

Techniques, treatments, and methods consistent with the Secretary's "Standards for Rehabilitation" are listed in the "recommended" column on the left. Not all recommendations listed under a treatment will apply to each project proposal. Rehabilitation approaches, materials, and methods which may adversely affect a building's architectural and historic qualities are listed in the "not recommended" column on the right. Every effort will be made to update and expand the guidelines as additional techniques and treatments become known.

Specific information on rehabilitation and preservation technology may be obtained by writing to the Technical Preservation Services Division, National Park Service, U.S. Department of the Interior, Washington, D.C. 20240, or the appropriate State Historic Preservation Officer. Advice should also be sought from qualified professionals, including architects, architectural historians, and archeologists skilled in the preservation, restoration, and rehabilitation of old buildings.

BOSTON LANDMARKS COMMISSION - STANDARDS AND CRITERIA

Introductory Statement on Standards and Criteria to be Used in Evaluating Applications for Certificates

Per Sections 4, 5, 6, 7 and 8 of the enabling statute (Chapter 772 of the Acts of 1975 of the Commonwealth of Massachusetts) Standards and Criteria must be adopted for each Landmark Designation which shall be applied by the Commission in evaluating proposed changes to the property. Before a Certificate of Design Approval or Certificate of the Exemption can be issued for such changes, the changes must be reviewed by the Commission with regard to their conformance to the purposes of the statute.

The Standards and Criteria established thus note those features which must be conserved and/or enhanced to maintain the viability of the Landmark Designation. The intent of these guidelines is to help local officials, designers, and individual property owners to identify the characteristics that have led to designation, and thus to identify the limitation to the changes that can be made to them. It should be emphasized that conformance to the Standards and Criteria alone does not necessarily insure approval, nor are they absolute, but any request for variance from them must demonstrate the reasons for, and advantages gained by, such variance. The Commission's Certificate of Design Approval is only granted after careful review of each application and public hearing, in accordance with the statute.

As intended by the statute a wide variety of buildings and features are included within the area open to Landmark Designation, and an equally wide range exists in the latitude allowed for change. Some properties of truly exceptional architectural and/or historical value will permit only the most minor modifications, while for some others the Commission encourages changes and additions with a contemporary approach, consistent with the properties' existing features and changed uses.

In general, the intent of the Standards and Criteria is to preserve existing qualities that cause designation of a property; however, in some cases they have been so structured as to encourage the removal of additions that have lessened the integrity of the property.

It is recognized that changes will be required in designated properties for a wide variety of reasons, not all of which are under the complete control of the Commission or the owners. Primary examples are:

- a) Building code conformance and safety requirements.
- b) Changes necessitated by the introduction of modern mechanical and electrical systems.
- c) Changes due to proposed new uses of a property.

The response to these requirements may, in some cases, present conflicts with the Standards and Criteria for a particular property. The Commission's evaluation of an application will be based upon the degree to which such changes are in harmony with the character of the property.

In some cases, priorities have been assigned within the Standards and Criteria as an aid to property owners in identifying the most critical design features.

The Standards and Criteria have been divided into two levels: (1) those general ones that are common to almost all landmark designations (with three different categories for buildings, building interiors and landscape features); and (2) those specific ones that apply to each particular property that is designated. In every case the Specific Standard and Criteria for a particular property shall take precedence over the General ones if there is a conflict.

9.2 General Standards and Criteria

A. APPROACH

1. The design approach to the property should begin with the premise that the features of historical and architectural significance described within the Study Report must be preserved. In general this will minimize the exterior alterations that will be allowed.
2. Changes and additions to the property and its environment which have taken place in the course of time are evidence of the history of the property and the neighborhood. These changes to the property may have developed significance in their own right, and this significance should be recognized and respected. ("Later integral features" shall be the term used to convey this concept.)
3. Deteriorated material or architectural features, whenever possible, should be repaired rather than replaced or removed.
4. When replacement of architectural features is necessary it should be based on physical or documentary evidence of original or later integral features.
5. New materials should, whenever possible, match the material being replaced in physical properties, design, color, texture and other visual qualities. The use of imitation replacement materials is generally discouraged.
6. New additions or alterations should not disrupt the essential form and integrity of the property and should be compatible with the size, scale, color, material and character of the property and its environment.
7. Contemporary design is encouraged for new additions; thus, they must not necessarily be imitative of an earlier style or period.
8. New additions or alterations should be done in such a way that if they were to be removed in the future, the essential form and integrity of the historic property would be unimpaired.
9. Priority shall be given to those portions of the property which are visible from public ways or which it can be reasonably inferred may be in the future.
10. Color will be considered as part of specific standards and criteria that apply to a particular property.

B. EXTERIOR WALLS

I. MASONRY

1. Retain whenever possible, original masonry and mortar.
2. Duplicate original mortar in composition, color, texture, joint size, joint profile and method of application.
3. Repair and replace deteriorated masonry with material which matches as closely as possible.
4. When necessary to clean masonry, use gentlest method possible. Do not sandblast. Doing so changes the visual quality of the material and accelerates deterioration. Test patches should always be carried out well in advance of cleaning (including exposure to all seasons if possible).
5. Avoid applying waterproofing or water repellent coating to masonry, unless required to solve a specific problem. Such coatings can accelerate deterioration.
6. In general, do not paint masonry surfaces. Painting masonry surfaces will be considered only when there is documentary evidence that this treatment was used at some point in the history of the property.

II NON-MASONRY

1. Retain and repair original or later integral material whenever possible.
2. Retain and repair, when necessary, deteriorated material with material that matches.

C. ROOFS

1. Preserve the integrity of the original or later integral roof shape.
2. Retain original roof covering whenever possible.
3. Whenever possible, replace deteriorated roof covering with material which matches the old in composition, size, shape, color, texture, and installation detail.
4. Preserve architectural features which give the roof its character, such as cornices, gutters, iron filigree, cupolas, dormers, brackets.

D. WINDOWS AND DOORS

1. Retain original and later integral door and window openings where they exist. Do not enlarge or reduce door and window openings for the purpose of fitting stock window sash or doors, or air conditioners.
2. Whenever possible, repair and retain original or later integral window elements such as sash, lintels, sills, architraves, glass, shutters and other decorations and hardware. When replacement of materials or elements is necessary, it should be based on physical or documentary evidence.
3. On some properties consideration will be given to changing from the original window details to other expressions such as to a minimal anonymous treatment by the use of a single light, when consideration of cost, energy conservation or appropriateness override the desire for historical accuracy. In such cases, consideration must be given to the resulting effect on the interior as well as the exterior of the building.

E. PORCHES, STEPS AND EXTERIOR ARCHITECTURAL ELEMENTS

1. Retain and repair porches and steps that are original or later integral features including such items as railings, balusters, columns, posts, brackets, roofs, ironwork, benches, fountains, statues and decorative items.

F. SIGNS, MARQUEES AND AWNINGS

1. Signs, marquees and awnings integral to the building ornamentation or architectural detailing shall be retained and repaired where necessary.
2. New signs, marquees and awnings shall not detract from the essential form of the building nor obscure its architectural features.
3. New signs, marquees and awnings shall be of a size and material compatible with the building and its current use.
4. Signs, marquees and awnings applied to the building shall be applied in such a way that they could be removed without damaging the building.
5. All signs added to the building shall be part of one system of design, or reflect a design concept appropriate to the communication intent.
6. Lettering forms or typeface will be evaluated for the specific use intended, but generally shall either be contemporary or relate to the period of the building or its later integral features.
7. Lighting of signs will be evaluated for the specific use intended, but generally illumination of a sign shall not dominate illumination of the building.
8. The foregoing notwithstanding, signs are viewed as the most appropriate vehicle for imaginative and creative expression, especially in structures being reused for purposes different from the original, and it is not the Commission's intent to stifle a creative approach to signage.

G PENTHOUSES

1. The objective of preserving the integrity of the original or later integral roof shape shall provide the basic criteria in judging whether a penthouse can be added to a roof. Height of a building, prominence of roof form, and visibility shall govern whether a penthouse will be approved.
2. Minimizing or eliminating the visual impact of the penthouse is the general objective and the following guidelines shall be followed:
 - a) Location shall be selected where the penthouse is not visible from the street or adjacent buildings; set-backs shall be utilized.
 - b) Overall height or other dimensions shall be kept to a point where the penthouse is not seen from the street or adjacent buildings.
 - c) Exterior treatment shall relate to the materials, color and texture of the building or to other materials integral to the period and character of the building, typically used for appendages.
 - d) Openings in a penthouse shall relate to the building in proportion, type and size of opening, wherever visually apparent.

H LANDSCAPE FEATURES

1. The general intent is to preserve the existing or later integral landscape features that enhance the landmark property.
2. It is recognized that often the environment surrounding the property has a character, scale and street pattern quite different from that existing when the building was constructed. Thus, changes must frequently be made to accommodate the new condition, and the landscape treatment can be seen as a transition feature between the landmark and its newer surroundings.
3. The existing landforms of the site shall not be altered unless shown to be necessary for maintenance of the landmark or site. Additional landforms will only be considered if they will not obscure the exterior of the landmark.
4. Original layout and materials of the walks, steps, and paved areas should be maintained. Consideration will be given to alterations if it can be shown that better site circulation is necessary and that the alterations will improve this without altering the integrity of the landmark.
5. Existing healthy plant materials should be maintained as long as possible. New plant materials should be added on a schedule that will assure a continuity in the original landscape design and its later adaptations.
6. Maintenance of, removal of, and additions to plant materials should consider maintaining existing vistas of the landmark.

I EXTERIOR LIGHTING

1. There are three aspects of lighting related to the exterior of the building:
 - a) Lighting fixtures as appurtenances to the building or elements of architectural ornamentation.
 - b) Quality of illumination on building exterior.
 - c) Interior lighting as seen from the exterior.
2. Wherever integral to the building, original lighting fixtures shall be retained. Supplementary illumination may be added where appropriate to the current use of the building.

General Standards and Criteria

3. New lighting shall conform to any of the following approaches as appropriate to the building and to the current or projected use:
 - a) Accurate representation of the original period, based on physical or documentary evidence.
 - b) Retention or restoration of fixtures which date from an interim installation and which are considered to be appropriate to the building and use.
 - c) New lighting fixtures which are contemporary in design and which illuminate the exterior of the building in a way which renders it visible at night and compatible with its environment.
4. If a fixture is to be replaced, the new exterior lighting shall be located where intended in the original design. If supplementary lighting is added, the new location shall fulfill the functional intent of the current use without obscuring the building form or architectural detailing.
5. Interior lighting shall only be reviewed when its character has a significant effect on the exterior of the building; that is, when the view of the illuminated fixtures themselves, or the quality and color of the light they produce, is clearly visible through the exterior fenestration.

J. REMOVAL OF LATER ADDITIONS AND ALTERATIONS

1. Each property will be separately studied to determine if later additions and alterations can, or should, be removed. It is not possible to provide one general guideline.
2. Factors that will be considered include:
 - a) Compatibility with the original property's integrity in scale, materials and character.
 - b) Historic association with the property.
 - c) Quality in the design and execution of the addition.
 - d) Functional usefulness.

BOSTON LANDMARKS COMMISSION

DESIGNATION OF U. S. CUSTOM HOUSE

Section 9.0 SPECIFIC STANDARDS AND CRITERIA (DRAFT)

The intention of these standards is to preserve the architectural integrity and appearance of the building, both the original structure and in the added tower, which has been carefully maintained throughout its history. The general approach is to allow minimal change to those elements which are essential to the architectural integrity of the building and to encourage such changes to other elements, or to control them in a manner that enhances the appearance of the building.

1. BUILDING MASS

No additions shall be permitted to the existing massing of the building.

2. EXTERIOR WALLS AND ROOF

No new opening shall be allowed within the granite walls.

Original basement openings which have been closed-in may be reopened, and service access to the building shall be located within the basement-level openings on McKinley Square.

No duct work or exposed conduit may be installed on the exterior walls. Roof tiles shall be repaired and any necessary replacements shall match the existing tiles.

Original masonry and mortar shall be retained whenever possible.

Original mortar shall be duplicated in composition, color, texture, joint size, joint profile and method of application.

Deteriorated masonry shall be repaired and replaced with material which matches as closely as possible.

When necessary to clean masonry, the gentlest method possible shall be used. Sandblasting is prohibited. Test patches should always be conducted and examined through a full set of seasons prior to cleaning. Waterproofing or water repellent coating shall not be applied to masonry, unless required to solve a specific problem, since such coatings can accelerate deterioration.

In general, masonry surfaces should not be painted. Painting masonry surfaces will be considered only when there is documentary evidence that this treatment was used at some point in the history of the property.

3. TOWER

Alterations to the existing enclosure on the observation deck should attempt to minimize the visibility of the metal screening with appropriate paint treatment or with non-reflective metal.

Dish antennas and similar communication devices are not permitted.

Restoration of the original revolving beacon is encouraged, and should be incorporated into the stainless steel cap.

The pressed copper spandrels and grillework may be cleaned using acceptable techniques for preservation of exterior copper.

The illuminated clock faces and hands are a significant visual feature on the city skyline and shall be maintained in working order.

The copper cresting above the clock face level shall be retained, and when replacement is necessary, identical material and design shall be used.

Fixtures installed for uplighting of the tower should be mounted inconspicuously; the introduction of a multi-colored scheme is not encouraged.

4. WINDOWS

Copper-clad six-over-six light windows exist under the porticos facing India St. and McKinley Square. These original windows shall be retained and repaired. Since the original windows were metal-clad, metal replacement windows for other window openings are acceptable, provided they have through muntins and duplicate as closely as possible the configuration, profile, and recess, and color of the original copper-clad windows. Particular attention should be directed to recreating the framing sections and matching the finish in color. No tinted or reflective-coated glass shall be allowed.

Replacement of the metal factory sash (dating to 1950) in the 1837 portion of the building is encouraged. Replacement windows may be metal-framed to resemble the existing six pane-over-six pane sash facing India Street, or wood-constructed with a through-muntin assembly, with paint color to match either the condition on the upper elevations or the original.

Existing basement level windows date from the 1916 alterations to the building and should be retained.

Removal of the mesh grilles over the basement windows is encouraged. Should the scuttles below the basement windows be proposed for removal, one shall be maintained as evidence of their original function.

New window grilles should be substantial in appearance and relate to a classical motif present elsewhere on the building, such as the Roman grating.

No balconies shall be allowed.

Removal of protruding window unit air conditioners is encouraged.

All proposals for HVAC equipment shall be reviewed by the Commission, and such equipment shall be concealed within the integral architectural features of the building.

5. ENTRANCES

The elaborate doors within the porticos at the McKinley Sq. and India St. entrances should be cleaned and preserved. The contemporary oak doors at the flanking street-level entrances and the airlocks may be replaced.

The design and materials of replacement doors should relate to classically-inspired detailing elsewhere within the building.

An appropriate handicap access through the street-level entrance facing Central St. is recommended.

Exterior lighting fixtures should be mounted within the opening of each entryway. The existing contemporary fixtures here are inappropriate, and should be replaced.

Replacement of the stair railings on India St. is encouraged, provided that their replacements are compatible with the architectural character and dignity of the building.

6. SIGNS

Wall plaques should be mounted into mortar joints and not into the masonry, which has remarkably few boring scars from signs. The use of interior window signs, free-standing kiosks, and banners is preferred to wall-mounted signs.

Protruding signs are not allowed. No back-lit signs shall be allowed. Awnings over window openings are not allowed. Canopies may be installed over street-level entryways.

7. MISCELLANEOUS EXTERIOR FEATURES.

Anti-pigeon devices shall be subject to the review of the Commission. Copper roof flashing shall be retained and repaired wherever possible.

8. INTERIOR.

The designation applies to the street-level lobby and to the full rotunda space on the upper floors within the original 1837 building.

The ceiling vaulting of the street level lobby shall be maintained.

The volume of the rotunda space shall not be interrupted, and all service elements should be located within the street-level space. The design of such installations should reinforce the style of the building or be of a restrained contemporary design.

No original material surface covering shall be removed. The marble flooring tiles shall be preserved and not covered permanently. The granite or marble surfaces shall not be painted.

Cleaning of the marble is not encouraged. If necessary, it should occur with professional supervision and only after careful evaluation of a sample test patch.

The installation of replacement lighting fixtures of a more traditional design is encouraged. No exposed conduit shall be allowed. Suspended fixtures and wall sconces are preferable to ceiling-mounted fixtures.

Relocation of the exposed sprinkler system is recommended.

Restoration of the decorative cast metal elevator door surrounds is recommended.

Replacement of the contemporary flush metal elevator doors is recommended. The decorative iron stair rails (now painted) on the upper levels of the rotunda should be restored to their original finish based on professional conservation practices.

Interior illumination of the dome should be achieved with inconspicuous fixtures.

Signs should be respectful of the design elements within the rotunda; contemporary typeface and plastic signs are discouraged.



ADDRESS McKinley Square India St. State St.
 NAME United States Custom House / same
present original
 MAP No. 26N/13E SUB AREA Custom House/Market
 DATE 1837-1847 Hamlin⁴
tower: 1913-1915 source Nat. Reg. Nom. Form
 ARCHITECT Ammi Burnham Young Hamlin⁴
tower: Peabody & Stearns source Arch Forum
 BUILDER Gardner Greenleaf Annals²
source
 OWNER U.S. Government
original present
 PHOTOGRAPHS 265/2, *265/3, 265/4-80

TYPE (residential) single double row 2-fam. 3-deck tan apt.
 (non-residential) offices

NO. OF STORIES (1st to cornice) 2 plus 16 story office tower

ROOF gable with 4 pediments cupola corners

MATERIALS (Frame) clapboards shingles stucco asphalt asbestos alum/vinyl
 (Other) brick stone granite concrete iron/steel/alum.

BRIEF DESCRIPTION (in original form) with Greek Doric order; cruciform plan, with 1 short & 1 long axis. Set on high granite basement. Exterior remarkable for its 32 monolithic Doric columns. Central hexastyle pedimented porticos, and pseudoperipteral porticos on flanking wings, having engaged 3/4 columns separating each range of windows. Entries reached by broad flights of steps. Early 20th c. office tower in Class. Rev. style now rises from core of building, surmounted by clock of reinforced concrete, marble & bronze. Rotunda most notable interior feature.
 EXTERIOR ALTERATION minor moderate drastic ringed by 12 Corinthian columns supporting drum of dome.

CONDITION good fair poor LOT AREA 17,068 sq. feet

NOTEWORTHY SITE CHARACTERISTICS Freestanding, dominates square via its monumental

massing. Located in area of other highly significant structures.

SIGNIFICANCE (cont'd on reverse)

Structure architecturally significant as only extant Boston work by eminent architect, as well as most highly developed Greek Revival edifice remaining in Boston, an rare example of major granite structure erected prior to 1850s, designed & built as freestanding structure equally impressive from all view points. Also important as Boston's tallest building for many years because of its office tower addition by another prominent Boston architectural firm. Historically significant as structure rich in associations with Boston's life as seaport reflecting her emergence as number one U.S. port during first half of 19th c.

Moved; date if known _____

Themes (check as many as applicable)

Aboriginal	_____	Conservation	_____	Recreation	_____
Agricultural	_____	Education	_____	Religion	_____
Architectural	<u>x</u>	Exploration/ settlement	_____	Science/ invention	_____
The Arts	_____	Industry	_____	Social/ humanitarian	_____
Commerce	<u>x</u>	Military	_____	Transportation	_____
Communication	_____	Political	_____		
Community/ development	_____				

Significance (include explanation of themes checked above)

Monumental in size & scale, its Architectural formality suited its site, for it stood at the head of State St., between Boston's financial spine & the sea; ¹ for a decade, until State St. Block was erected and "cut off its vista to the sea, it remained the visual fulcrum of Boston's water front." ¹ Erected by Gardner Greenleaf, who later built State St. Block. ² Subject of great controversy even before its completion, invoked in part because of such great expense (slightly more than \$1,000,000) for such highly developed Greek Revival building. More architecturally basic controversy revolved around appropriateness of Greek Revival form for modern use; anonymous article published in 1844 ³ denigrated style as belonging to another age, & objected to concession of building's functions required by strict use of historical forms. Contrast of Edward C. Cabot brownstone Boston Athenaeum in Renaissance Revival Style, also completed in 1847

Ammi Burnham Young (1798-1874) was native of Lebanon N.H. Little is known of his education or architectural training; may have learned construction from his father & architectural details from contemporary copy books, & possibly studied under Alexander Parris in Boston. 1st Supervising Architect of the Treasury Dept. Among his various works in N.E. were Thornton & Wentworth Halls at Dartmouth College, Old Court House at Worcester, Mass., surviving as left wing of present structure, & Court House at Lowell, Mass.

Increasing needs in early 20th c. resulted in search for new site for a Custom House. Government appropriation of \$1,800,000 not considered sufficient to purchase suitable site & erect new building, so decided to use old structure as base. Peabody & Stearns (Exchange Bldg., Boston Post/Birthplace of Franklin, Albany Bldg.,) designed 495 foot office tower, for as

Preservation Consideration (accessibility, re-use possibilities, capacity (Federally-
for public use and enjoyment, protection, utilities, context) (owned building,

Recommended for designation as Boston Landmark.

Located within National Register Custom House District.

was not bound by city's 125' height restriction. Remained tallest building in Boston for many years.

Bibliography and/or references (such as local histories, deeds, assessor's records, early maps, etc.,

1. Bryan, John Morrill, Boston's Granite Architecture, c. 1810-1860, unpublished Ph.D. dissertation, Boston University, 1972. Boston Public Library, Fine Arts Reference.
2. Annals of the Massachusetts Charitable Mechanic Association, 1795-1892, 1892, P. 7
3. North American Review, April, 1844.
4. Hamlin, Talbot, Greek Revival Architecture in America, 1944, pp. 106-7. pl. xxv.
5. Architectural Forum, 1919, v. 30, p. 879.
6. Bacon, Edwin M., Guide Book of Boston, 1916, p. 11 & 46.
7. Bostonian Society Photo File, "Custom House-India St." excellent early photo.
8. Withey, H. F. & E. R., Biographical Dictionary of American Architects (Deceased), 195

MEMORANDUM

RESUBMITTED: JULY 10, 1986
TAKEN UNDER ADVISEMENT: JUNE 26, 1986

TO: BOSTON REDEVELOPMENT AUTHORITY AND
STEPHEN COYLE, DIRECTOR

FROM: SUSAN ALLEN, ASSISTANT DIRECTOR FOR DEVELOPMENT
AND URBAN DESIGN
PAUL MCCANN, EXECUTIVE ASSISTANT TO THE DIRECTOR
PAM WESSLING, PROJECT COORDINATOR

SUBJECT: MINOR MODIFICATIONS TO THE DOWNTOWN WATERFRONT -
FANEUIL HALL URBAN RENEWAL PLAN

The General Services Administration (GSA) has notified the City that the U.S. Custom House is surplus to U.S. Government property needs and that it is available for disposal. The Authority has long recognized the significance of the Custom House, and a number of BRA activities, including the Downtown Waterfront-Faneuil Hall Urban Renewal Plan, have helped to preserve the building's historic place in Boston and to improve its environs. Now that the ownership and use of the U.S. Custom House are anticipated to change, it is important to specify controls for its re-use and rehabilitation. These were first described in the City's response to GSA's request for proposals. Earl E. Jones, Commissioner of the Federal Property Resources Service of the General Services Administration, also recognizes the need for such controls. In a letter to Mayor Raymond L. Flynn, Commissioner Jones states that GSA will attach covenants to the deed in order to protect the historic integrity of the Custom House, and he suggests that use controls are "best addressed at the local level consistent with local planning and zoning ordinances."

Minor modifications to The Urban Renewal Plan are thus needed. The proposed modifications would permit, but not require, the Authority to acquire the property, and they specify controls regulating uses and rehabilitation standards for the Custom House, as well as, public improvements within its vicinity. Allowable uses in the tower would include office, hotel, and residential. The original Custom House at the base of tower would be maintained as public space primarily, with cultural or other noncommercial activities, and the observation deck would be maintained for limited public access. The building would be restored to existing state and city landmark standards as well as to specific requirements for this building to be promulgated by the Boston Landmarks Commission and the Authority. The entire McKinley Square area would be improved with landscape materials of the quality found in the Downtown Waterfront - Faneuil Hall area.

Implementation of the foregoing controls will require minor modifications to the Downtown Waterfront-Faneuil Hall Urban Renewal Plan.

In the opinion of the General Counsel, such proposed modifications are minor and do not substantially or materially alter or change the Plan.

It is, therefore, recommended that the Authority adopt the attached Resolution modifying the Downtown Waterfront-Faneuil Hall Urban Renewal plan and authorize the Director to proclaim the same.

Appropriate Resolutions are attached.

RESOLUTION OF THE BOSTON REDEVELOPMENT AUTHORITY

RE: PROCLAIMER OF MINOR MODIFICATIONS OF THE DOWNTOWN
WATERFRONT-FANEUIL HALL URBAN RENEWAL PLAN, PROJECT NO.
MASS. R-77

WHEREAS, the Urban Renewal Plan for the Downtown Waterfront-Faneuil Hall Urban Renewal Project Area, Project No. R-77 (the "Plan"), was adopted by the Boston Redevelopment Authority on April 16, 1964 and approved by the City Council on June 8, 1964; and

WHEREAS, Section 1101 of Chapter XI of said Plan, entitled "Modifications", provides in pertinent part that the Urban Renewal Plan may be modified at any time by the Boston Redevelopment Authority where the proposed modification will not substantially or materially alter or change the Plan; and

WHEREAS, the Boston Redevelopment Authority is engaged in planning for the potential re-use of the U.S. Custom House which has been declared surplus property by the federal government, acting through the General Services Administrations; and

WHEREAS, the proposed re-use of the U.S. Custom House will necessitate modifications of the Plan; and

WHEREAS, the Authority has determined that said modifications are minor modifications under Section 1101 of the Plan;

NOW, THEREFORE, BE IT RESOLVED BY THE BOSTON REDEVELOPMENT AUTHORITY:

1. That Chapter 4, Section 403: Not to be Acquired Property-Special Conditions be amended to also state the following:

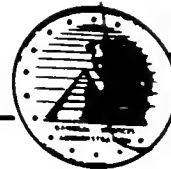
In the event the property presently owned by the United States government (Block 206-1) and used as a federal office building is sold, leased, transferred or otherwise conveyed to other than a successor governmental agency to the United States government's General Services Administration, the property may be acquired by the Boston Redevelopment Authority and the use shall be office, hotel, or residential in the tower with public access to the observation deck. In the base of the tower the use shall be cultural or other general public use with designated space set aside for access to the tower uses. Controls to be established for the property shall be consistent with the requirements and controls imposed upon similar property by the provisions of the Urban Renewal Plan.

2. That Chapter VII, Section 708: Additional Requirements - General be amended to also state the following:

U.S. Custom House Re-use

- (a) Allowable uses shall be as follows:
 - o The original Custom House at the base of the tower shall be maintained primarily as public space with cultural or other non-commercial activities which are for the use of the general public, except for such designated space as is needed for access to tower uses.
 - o The tower space may be put to use for office, residential, or hotel activities. However, no portions of the building shall be sold for condominium ownership.
- (b) The building shall be rehabilitated to historic landmark standards including (1) the Secretary of the Interior's "Standards for Rehabilitating Historic Buildings", (2) the Boston Landmarks Commission's General Standards and Criteria, and (3) specific standards for the Custom House as they are established by the Boston Landmarks Commission and Boston Redevelopment Authority.
- (c) Installation of a sprinkler system and an upgraded Heating, Ventilation and Air Conditioning system shall be required as needed.
- (d) Addition of facilities to improve handicapped access shall be required.
- (e) The four-faced mechanical clock on the tower shall be repaired and maintained in good working order at all times.
- (f) The building shall be illuminated in a manner appropriate to this important historic landmark, as determined by the Boston Landmarks Commission and the Boston Redevelopment Authority.
- (g) Public improvements of a quality consistent with the improvements in the Downtown Waterfront - Faneuil Hall area shall be required adjacent to the U.S. Custom House at McKinley Square and including adjacent streets and sidewalks within the area to be designated as an urban renewal zoning subdistrict.

3. That these modifications are found to be minor modifications which do not substantially or materially alter or change the Plan.
4. That it is hereby found and determined that the minor modifications of the Plan as set forth herein will not result in significant damage to or impairment of the environment and, further, that all practicable and feasible means and measures have been taken and are being utilized to avoid and minimize damage to the environment.
5. That all other provisions of said Plan not inconsistent herewith be and hereby are continued in full force and effect.
6. That the Director be and he hereby is authorized to proclaim by certificate these minor modifications of the Plan in accordance with the provision of the Urban Renewal Handbook RHM 7207.1
7. That the Director be and he hereby is authorized to execute an interim land disposition agreement between the City of Boston and the Authority to establish the controls as required by the Downtown Waterfront - Faneuil Hall Urban Renewal Plan, as amended, and as may be required by the designation of the Custom House site and McKinley Square area as an urban renewal area zoning overlay and the Development Plan for the district.



June 11, 1986

Dear Mayor Flynn:

We were pleased to meet on June 10, 1986, with a delegation, headed by Mr. Bart Mitchell, representing you to discuss the proposed sale of the Old Custom House in Boston to the City Redevelopment Authority.


The city is granted an extension until August 1, 1986, to continue negotiations and submit an acceptable offer for this property. During that time, we will work closely with the city on all aspects of this transaction, and I am hopeful we can reach agreement on the sale price. If we are successful in this regard, we will submit the proposal to the appropriate committees of Congress for review prior to completing the sale.

We share your concern that the historic integrity of this magnificent property is preserved. Working with your representatives, we will incorporate in our deed of conveyance those covenants required by Federal, State, and local law to protect the integrity of the structure.

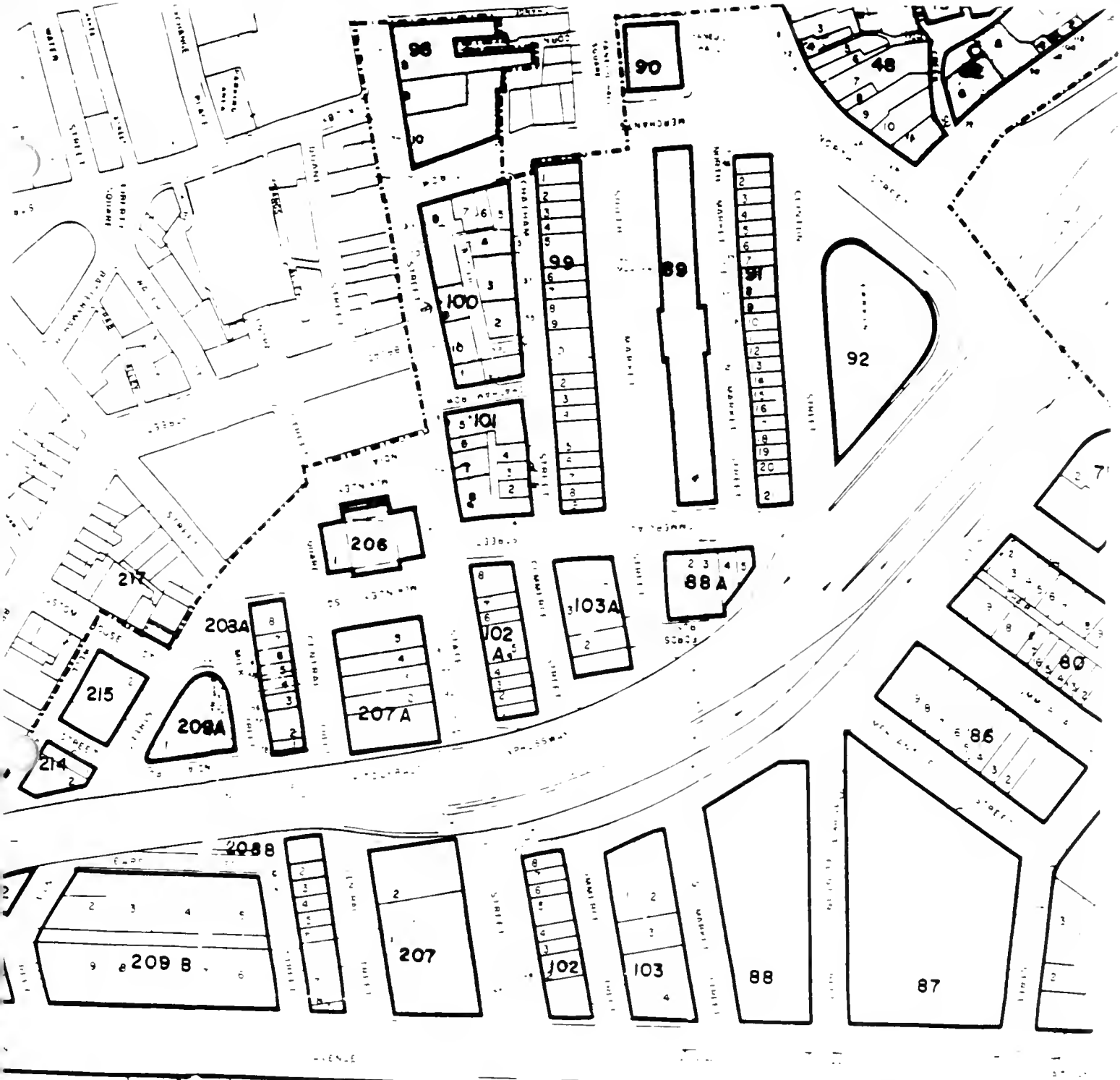
These covenants will ensure preservation of the significant architectural and historic features of the structure. All plans or specifications for any alterations, improvements, or restoration of the exterior or interior areas must be approved by the Massachusetts Historic Commission, or its delegated local representative. The General Services Administration, however, cannot restrict the use to which the building is dedicated through the deed. This issue is best addressed at the local level consistent with local planning and zoning ordinances.

I trust this information is helpful.

Sincerely,


EARL E. JONES
Commissioner

The Honorable
Raymond L. Flynn
Mayor of Boston
Boston, MA 02201



Property

Downtown Waterfront —
Faneuil Hall
Urban Renewal Area
Massachusetts R-77

BOSTON REDEVELOPMENT AUTHORITY

MEMORANDUM

Resubmitted: JULY ¹⁰~~26~~, 1986
Taken Under Advisement: JUNE 26, 1986

TO: BOSTON REDEVELOPMENT AUTHORITY AND
STEPHEN COYLE, DIRECTOR

FROM: SUSAN ALLEN, ASSISTANT DIRECTOR FOR DEVELOPMENT
LINDA BOURQUE, DIRECTOR OF ZONING
PAMELA WESSLING, PROJECT COORDINATOR

SUBJECT: AUTHORIZATION TO PETITION THE ZONING COMMISSION
FOR A "U" (URBAN RENEWAL AREA OVERLAY) DISTRICT
FOR THE CUSTOM HOUSE ~~BLOCK~~, BLOCK 206-1 IN THE
DOWNTOWN WATERFRONT-FANEUIL HALL URBAN RENEWAL
PROJECT AREA (R-77), AND APPROVAL OF DEVELOPMENT
PLAN FOR THE CUSTOM HOUSE

On March 13, 1986, the General Services Administration notified the City of Boston that the U.S. Custom House at State and India Streets is surplus to government property needs and is available for disposal. The Custom House is of great historical and architectural significance to the City of Boston as a center for Boston's 19th century maritime commerce, as an example of the Greek revival architectural style, and as Boston's first skyscraper. The base of the Custom House was built from 1834-1847 and the existing tower was added in 1915. The Custom House is currently on the National Register of Historic Places. The Boston Landmarks Commission also is in the process of designating the U.S. Custom House as a Boston Landmark and is finalizing specific criteria for development to protect the historic structure.

It is important at this time when the site will be released from the protective control by the Federal government that specific use, structural, and historic preservation controls are established for the site. In order to implement these controls, we are recommending that the Custom House and its McKinley Square environs be designated as an Urban Renewal Area Overlay District to be developed only in accordance with the Development Plan for the U District as submitted here. This Development Plan specifies that: 1) the original Custom House building at the base of the tower must be maintained as a public space with civic or cultural uses or other non-commercial activities which are for the use of the general public; 2) the observation deck must be made available for limited public access; 3) the tower space may be used as office, residential, or hotel space, but no portion of the building shall be sold for condominium ownership; 4) in conjunction with any development of the Custom House, public land in the immediate vicinity of the tower shall be improved to increase use of the area by pedestrians rather than solely for parking; 5) no exterior or structural changes shall be made other than those in accordance with the Secretary of Interior's "Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings" and in accordance with the Boston Landmarks Commission General Standards and Criteria for Landmarks properties and specific standards and criteria for the Custom House; 6) specific structural and mechanical changes shall be made to upgrade the building.

) It is, therefore, recommended that in order to protect the historic character of the Custom House and preserve its use by the public, the Urban Renewal Area District designation and Development Plan be approved.

VOTED: That the Boston Redevelopment Authority hereby approves the proposed Urban Renewal Area Overlay District zoning designation and Development Plan in substantial accord with the Plan submitted at its meeting of July 10, 1986, for the Custom House and McKinley Square, Block 206-1, in the Downtown Waterfront-Faneuil Hall Urban Renewal Project Area R-77; and that the Authority authorizes the Director to petition the Zoning Commission of the City of Boston for a map amendment to add to the existing B-10 zoning designation of Block 206-1 of the Downtown Waterfront-Faneuil Hall Urban Renewal Project Area the suffix "U", and to submit to the Zoning Commission for its approval the Development Plan for the Custom House and McKinley Square in order to facilitate development in accordance with said Plan and to protect the historic character and public use of the Custom House.

VOTED: That the Director be authorized to communicate to the Boston Landmark Commission the Authority's support for designation of the U.S. Custom House as a Boston Landmark.

BOSTON REDEVELOPMENT AUTHORITY
JUNE 26, 1986

DEVELOPMENT PLAN
U.S. CUSTOM HOUSE

Site Description

Approximately one acre of land at McKinley Square in the National Register Custom House District of downtown Boston. The site includes the U.S. Custom House on its 17,068 square foot site and portions of adjacent streets and sidewalks as outlined below.

Structure

Existing on the site is the historic U.S. Custom House, the base of which was constructed in 1937-1947 and the tower added in 1913-1915. The 16-story tower sits atop a two-story base for a total height of 495 feet. The building is rated 1 by the Boston Landmarks Commission and is proposed for designation as a Boston Landmark. Additional historic data is included in Attachment A: Boston Landmarks Commission Building Information Form. No additional structures will be allowed on the site.

Allowable Uses

1. The original Custom House at the base of the tower shall be maintained primarily as a public space with cultural or other non-commercial activities which are for the use of the general public except for such designated space as is needed for access to tower uses.
2. The observation deck shall be made available for limited public access.
3. The tower may be used for office, residential, or hotel activity. However, no portions of the building shall be sold for condominium ownership.

Historic Rehabilitation Standards

The building shall be rehabilitated to historic landmark standards including (1) the Secretary of the Interior's Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings (Attachment B); (2) the Boston Landmarks Commission's General Standards and Criteria (Attachment B); and (3) such specific standards and criteria for the Custom House as may be established by the Boston Landmarks Commission and the Boston Redevelopment Authority.

Required Improvements

Required improvements to the U.S. Custom House, in addition to historic rehabilitation, include the following:

1. Addition of facilities to improve handicapped access;
2. Installation of a sprinkler system;
3. Repair and maintenance in good working order at all times of the four-faced mechanical clock on the tower;
4. Architectural illumination, to be determined by the Boston Landmarks Commission and the Boston Redevelopment Authority, of the Custom House Tower;
5. Upgrading of the Heating, Ventilation and Air Conditioning system;
6. Such other improvements as may be necessary to conform to the Building Code and all other applicable state and local laws, ordinances, codes and regulations.

Required Site Improvements

Public improvements are required to McKinley Square within the boundaries outlined on Attachment D: Site Improvements Map. Improvements, to be specified in detail by the Boston Redevelopment Authority, shall be of a quality comparable to improvements in the Faneuil Hall area.

Development Review Procedures

All plans shall be subject to review in accordance with the BRA's Development Review Procedures, the Boston Landmarks Commission's procedures, and other pertinent City regulations.

Transportation Access Plan

The developer must submit a Transportation Access Plan, subject to review and approval by the BRA Director.

Employment Plans

1. The developer must submit a Residents Construction Employment Plan to the BRA Director, setting forth plans to ensure that its contractor and sub-contractors meet Boston Resident Construction Employment Standards.
2. The developer shall formulate an Employment Opportunity Plan which shall provide for the developer's good faith efforts to achieve a goal that fifty percent (50%) of the permanent employment opportunities created by the project shall be made available to Boston residents.



June 11, 1986

Dear Mayor Flynn:

We were pleased to meet on June 10, 1986, with a delegation, headed by Mr. Bart Mitchell, representing you to discuss the proposed sale of the Old Custom House in Boston to the City Redevelopment Authority.


The city is granted an extension until August 1, 1986, to continue negotiations and submit an acceptable offer for this property. During that time, we will work closely with the city on all aspects of this transaction, and I am hopeful we can reach agreement on the sale price. If we are successful in this regard, we will submit the proposal to the appropriate committees of Congress for review prior to completing the sale.

We share your concern that the historic integrity of this magnificent property is preserved. Working with your representatives, we will incorporate in our deed of conveyance those covenants required by Federal, State, and local law to protect the integrity of the structure.

These covenants will ensure preservation of the significant architectural and historic features of the structure. All plans or specifications for any alterations, improvements, or restoration of the exterior or interior areas must be approved by the Massachusetts Historic Commission, or its delegated local representative. The General Services Administration, however, cannot restrict the use to which the building is dedicated through the deed. This issue is best addressed at the local level consistent with local planning and zoning ordinances.

I trust this information is helpful.

Sincerely,


EARL E. JONES
Commissioner

The Honorable
Raymond L. Flynn
Mayor of Boston
Boston, MA 02201

CUSTOMS HOUSE TOWER/Option 1

Boston Redevelopment Authority

DEVELOPMENT PROGRAM:

	Gross SF	% Effic.	Net SF
Office (Floors 4-10)	32,256	87.00%	28,063
(Floors 11-15)	23,040	87.00%	20,045
(Floors 16-19)	15,181	87.00%	13,207
(Floors 20-27)	14,536	87.00%	12,646
Public Space/Museum/25Flr Balcony	44,461	87.00%	38,681
Unusable Basement Space:	13,863	100.00%	13,863
Unusable Space (Floors 28-29):	840	100.00%	840
TOTAL	144,177		126,505

DEVELOPMENT PRO FORMA

ACQUISITION AND SITE COST	
NPV of Installment Sale Obligation	\$4,625,000
(\$6,000,000 @ 10%, 5 yrs equal installments)	

HARD COSTS:

	Cost/GSF	Cost
Construction:		
Office	\$65	\$5,525,845
Public Space	\$15	\$666,915
Site Preparation Costs	\$0	Donated
Tie. Clock Restoration Flrs 28-29)		
Tenant Improvements	\$15	\$1,275,195
Site Improvements		
Lump Sum		\$750,000
TOTAL HARD COSTS:	\$57	\$8,217,955

SOFT COSTS:

Architecture/Eng.	\$369,808
Percent of Hard Costs:	4.50%
Legal:	\$150,000
Accounting:	\$50,000
Marketing/Brokerage:	\$300,000
Const Loan Int./Financing Fees	\$1,031,250
(11%, 24 mos. on \$12,500,000 @ 50% drawdown	
Taxes, Insur., Permits, Fees	\$350,000
Rent-up Deficit	\$500,000
TOTAL SOFT COSTS	\$2,751,058
Percent of Hard Costs	33.48%

CONTINGENCY

Percent of Hard Costs	\$821,796
	10.00%

TOTAL DEVELOPMENT COST:

	\$16,415,808
--	--------------

OPERATING PRO FORMA - First Stabilized Year (YR 3)*

	Income SF	Income
INCOME**		
Office: (Flr 4-10)	\$28.77	\$807,379
(Flr 11-15)	\$32.22	\$645,903
(Flr 16-19)	\$34.53	\$456,098
(Flr 20-27)	\$36.96	\$467,430
Public Space	\$11.79	\$456,098
TOTAL GROSS INCOME		\$2,832,909
Vacancy @ 5%		incl. above
Subtotal		\$2,832,909
EFFECTIVE GROSS INCOME		\$2,832,909

EXPENSES

Operating Expenses	
Office	\$5
Public Space	\$4
Real Estate Taxes	\$443,679
TOTAL EXPENSES	\$863,012
NET OPERATING INCOME	\$1,969,897
ROTDC (NOI/TDC)	12.00%
Debt Service	\$1,502,760
Before Tax Cash Flow	\$467,137
Cash on Cash Ret. (BTCF/EQUITY)	14.23%

* First Stabilized Year is Year 3
 ** Rents shown are year 1 base rents,
 income is based on 3% escalation and
 three year rent-up.

FINANCING

TDC	\$16,415,808
Equity (80%)	\$3,283,162
Soft Mortgage	\$0
Conventional Mort.	\$13,132,647
10.5%, 25 yrs.	
Ann. Debt Service	\$1,502,760

250
 7-1

CUSTOMS HOUSE TOWER/Option 2

Boston Redevelopment Authority

DEVELOPMENT PROGRAM:

	Gross SF	% Effic.	Net SF
Office (Floors 4-10)	32,256	87.00%	28,063
(Floors 11-15)	23,040	87.00%	20,045
(Floors 16-19)	15,181	87.00%	13,207
(Floors 20-27)	14,536	87.00%	12,646
Public Space/Museum/25Flr Balcony	44,461	87.00%	38,681
Inusable Basement Space:	13,863	100.00%	13,863
Inusable Space (Floors 28-29):	840	100.00%	840
TOTAL	144,177		126,505

DEVELOPMENT PRO FORMA

ACQUISITION AND SITE COST	
NPV of Installment Sale Obligation	\$5,383,000
(\$7,000,000 @ 10%, 5 yrs equal installments)	

HARD COSTS:

	Cost/GSF	Cost
Construction:		
Office	965	\$5,525,845
Public Space	\$15	\$666,915
Site Premium Costs	\$0	Donated
(ie. Clock Restoration Flrs 28-29)		
Tenant Improvements	\$15	\$1,275,195
Site Improvements	Lump Sum	\$750,000
TOTAL HARD COSTS:	\$57	\$8,217,955

SOFT COSTS:

Architecture/Eng.	\$369,808
Percent of Hard Costs:	4.50%
Legal:	\$150,000
Accounting:	\$50,000
Marketing/Brokerage:	\$300,000
Constr Loan Int./Financing Fees	\$1,031,250
(11%, 24 mos. on \$12,500,000 @ 50% drawdown	
Taxes, Insur., Permits, Fees	\$350,000
Rent-up Deficit	\$500,000
TOTAL SOFT COSTS	\$2,751,058
Percent of Hard Costs	33.48%
CONTINGENCY	\$821,796
Percent of Hard Costs	10.00%
TOTAL DEVELOPMENT COST:	\$17,173,808

OPERATING PRO FORMA - First Stabilized Year (YR 3)*

	Income SF	Income
INCOME**		
Office: (Flr 4-10)	\$29,90	\$839,134
(Flr 11-15)	\$33.49	\$671,307
(Flr 16-19)	\$33.89	\$474,037
(Flr 20-27)	\$38.42	\$485,814
Public Space	\$12.26	\$474,037
TOTAL GROSS INCOME		\$2,944,330
Vacancy @ 5%		incl. above
Subtotal		\$2,944,330
EFFECTIVE GROSS INCOME		\$2,944,330

EXPENSES

Operating Expenses	
Office	\$5
Public Space	\$4
Real Estate Taxes	\$464,140
TOTAL EXPENSES	8883,473
NET OPERATING INCOME	\$2,060,857
ROTDC (NOI/TDC)	12.00%
Debt Service	\$1,572,150
Before Tax Cash Flow	\$488,707
Cash on Cash Ret. (BTCF/EOITY)	14.23%

* First Stabilized Year is Year 3

** Rents shown are year 1 base rents, income is based on 3% escalation and three year rent-up.

FINANCING

TDC	\$17,173,808
Equity (80%)	\$3,434,762
Soft Mortgage	\$0
Conventional Mort.	\$13,739,047
10.5%, 25 yrs.	
Ann. Debt Service	\$1,572,150

CUSTOMS HOUSE TOWER/Option 3
Boston Redevelopment Authority

DEVELOPMENT PROGRAM:	Gross SF	% Effic.	Net SF
Office (Floors 4-10)	32,256	87.00%	28,063
Office (Floors 11-15)	23,040	87.00%	20,045
Office (Floors 16-19)	15,181	87.00%	13,207
Public Space/Museum/25Flr Balcony	14,536	87.00%	12,646
Unusable Basement Space:	44,461	87.00%	38,681
Unusable Space (Floors 28-29):	13,863	100.00%	13,863
TOTAL	144,177	100.00%	126,505

DEVELOPMENT PRO FORMA	Cost/GSF	Cost
ACQUISITION AND SITE COST		
NPV of Installment Sale Obligation		\$6,141,000
(\$8,000,000 @ 101.5yrs equal installments)		
HARD COSTS:		
Construction:		
Office	965	\$5,525,845
Public Space	915	\$666,915
Site Premium Costs	\$0	Donated
(ie. Clock Restoration Flrs 28-29)		
Tenant Improvements	915	\$1,275,195
Site Improvements	Lump Sum	\$750,000
TOTAL HARD COSTS:	\$57	\$8,217,955

SOFT COSTS:	Cost
Architecture/Eng.	\$369,808
Legal:	4.50%
Accounting:	\$150,000
Marketing/Brokerage:	\$50,000
Constn Loan Int./Financing Fees	\$300,000
(11%, 24 mos. on \$12,500,000 @ 50% drawdown	\$1,031,250
Taxes, Insur., Permits, Fees	\$350,000
Rent-up Deficit	\$500,000
TOTAL SOFT COSTS	\$2,751,058
Percent of Hard Costs	33.48%
CONTINGENCY	\$821,796
Percent of Hard Costs	10.00%
TOTAL DEVELOPMENT COST:	\$17,931,808

OPERATING PRO FORMA - First Stabilized Year (YR 3)*	Income SF	Income
INCOME**		
Office: (Flr 4-10)	\$31.03	\$870,889
(Flr 11-15)	\$34.76	\$696,711
(Flr 16-19)	\$37.25	\$491,976
(Flr 20-27)	\$39.87	\$504,199
Public Space	\$12.72	\$491,976
TOTAL GROSS INCOME		\$3,055,751
Vacancy @ 5%		incl. above
Subtotal		\$3,055,751
EFFECTIVE GROSS INCOME		\$3,055,751

EXPENSES	Income SF	Income
Operating Expenses		
Office	\$5	\$255,186
Public Space	\$4	\$164,147
Real Estate Taxes		\$484,601
TOTAL EXPENSES		\$903,934
NET OPERATING INCOME		\$2,151,817
ROTDC (NOI/TDC)		12.00%
Debt Service		\$1,641,540
Before Tax Cash Flow		\$510,277
Cash on Cash Ret. (BTCF/EQUITY)		14.23%

FINANCING	Income SF	Income
TDC		\$17,931,808
Equity (#20%)		\$3,586,362
Soft Mortgage		\$0
Conventional Mort.		\$14,345,447
10.5%, 25 Yrs.		
Ann. Debt Service		\$1,641,540

* First Stabilized Year is Year 3
** Rents shown are Year 1 base rents, income is based on 3% escalation and three year rent-up.

CUSTOMS HOUSE TOWER/Option 5

Boston Redevelopment Authority

DEVELOPMENT PROGRAM:

	Gross SF	% Effic.	Net SF
Office (Floors 4-10)	32,256	87.00%	28,063
(Floors 11-15)	23,040	87.00%	20,045
(Floors 16-19)	15,181	87.00%	13,207
(Floors 20-27)	14,536	87.00%	12,646
Public Space/Museum/25Ftr Balcony	44,461	87.00%	38,681
Unusable Basement Space:	13,863	100.00%	13,863
Unusable Space (Floors 28-29):	840	100.00%	840
TOTAL	144,177		126,505

DEVELOPMENT PRO FORMA

ACQUISITION AND SITE COST			
RPV of Installment Sale Obligation			\$7,657,000
(\$10,000,000 @ 10% 5yrs equal installments)			
HARD COSTS:			
Construction:	Cost/GSF	Cost	
Office	965	\$5,525,845	
Public Space	915	\$666,915	
Site Preliminary Costs	90	Donated	
(ie. Clock Restoration Flrs 28-29)			
Tenant Improvements	815	\$1,275,195	
Site Improvements	Lump Sum	\$750,000	
TOTAL HARD COSTS:	857	\$8,217,955	

SOFT COSTS:

Architecture/Eng.	\$369,808
Percent of Hard Costs:	4.50%
Legal:	\$150,000
Accounting:	\$50,000
Marketing/Brokerage:	\$300,000
Const. Loan Int./Financing Fees	\$1,031,250
(11%, 24 mos. on \$12,500,000 @ 50% drawdown	
Taxes, Insur., Permits, Fees	\$350,000
Rent-up Deficit	\$500,000
TOTAL SOFT COSTS	\$2,751,058
Percent of Hard Costs	33.48%
CONTINGENCY	\$821,796
Percent of Hard Costs	10.00%
TOTAL DEVELOPMENT COST:	\$19,447,808

OPERATING PRO FORMA - First Stabilized Year (YR 3)*

INCOME**	Income SF	Income
Office: (Flr 4-10)	833.30	\$934,399
(Flr 11-15)	\$37.29	\$747,519
(Flr 16-19)	\$39.97	\$527,853
(Flr 20-27)	\$42.78	\$540,968
Public Space	\$13.65	\$527,853
TOTAL GROSS INCOME		\$3,278,593
Vacancy @ 5%		incl. above
Subtotal		\$3,278,593
EFFECTIVE GROSS INCOME		\$3,278,593

EXPENSES

Operating Expenses	85	\$255,186
Office	94	\$164,147
Public Space		
Real Estate Taxes		\$525,523
TOTAL EXPENSES		\$944,856
NET OPERATING INCOME		\$2,333,737
ROTDC (NOI/TDC)		12.00%
Debt Service		\$1,780,320
Before Tax Cash Flow		\$553,417
Cash on Cash Ret. (BTCF/EQUITY)		14.2%

* First Stabilized Year is Year 3
 ** Rents shown are year 1 base rents, income is based on 3% escalation and three year rent-up.

FINANCING

TDC		\$19,447,808
Equity (80%)		\$3,889,562
Soft Mortgage		90
Conventional Mort.		\$15,558,247
10.5%, 25 yrs.		
Ann. Debt Service		\$1,780,320

100

100

100

100

100

100

100

100

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100

CUSTOMS HOUSE TOWER
AREA TABULATIONS

APPROX

FLOOR LEVEL	USE	# OF ROOMS	GROSS SF	CORE	USABLE SF
BASEMENT	BLG SERVICES		11,520	392	11,128 *
1ST	LOBBY		10,880	422	10,458 1/2 *
2ND	DINING		8,370	556	7,814
3RD	ROOMS	10	8,271	556	7,715
DOME	STORAGE		2,572	296	2,276 *
4	ROOM	7	3,960	500	3,460
5	ROOM	7	3,960	500	3,460
6	ROOM	7	3,960	500	3,460
7	ROOM	7	3,960	500	3,460
8	ROOM	7	3,960	500	3,450
9	ROOM	7	3,960	500	3,460
10	ROOM	7	3,960	500	3,460
11	ROOM	7	3,960	500	3,460
12	ROOM	7	3,960	500	3,460
13	ROOM	7	3,960	500	3,460
14	ROOM	7	3,960	500	3,460
15	ROOM	7	3,960	500	3,460
16	ROOM	7	3,224	500	2,724
17	ROOM	7	3,224	500	2,724
18	ROOM	7	3,224	500	2,724
19	MEETING RMS -4		3,224	500	2,724 *
20	ROOM	4	2,304	200	2,104
21	STORAGE		2,304	200	2,104 *
22	ROOM	4	2,304	200	2,104
23	STORAGE		1,600	200	1,400 *
24	ROOM	4	2,024	200	1,824
25	SUITE		2,500	50	2,450 1/2 *
26	SUITE		1,024	114	910
27	SUITE		729	69	660 *
28			576	169	407 *
29			169	36	133 *
30			36	36	0
TOTAL		127	117,599	11,696	105,903

=====

*(380,000 SF) * Unusable

U.S. CUSTOM HOUSE
BOSTON, MASSACHUSETTS

TABLE 2

REHABILITATED SPACE DIMENSIONS

RENTABLE AREA

FLOOR	RETAIL	OFFICE	STORAGE	COMMON AREA	TOTAL BUILDING	GROSS AREA EXT. WALLS
BASEMENT						13,863
STREET						12,732
1-COURSE						9,112
2-COURSE						9,112
3						12,160
DOME						4,608
4						4,608
5						4,608
6						4,608
7						4,608
8						4,608
9						4,608
10						4,608
11						4,608
12						4,608
13						4,608
14						4,608
15						4,608
16						3,868
17						3,552
18						3,552
19						4,209
20						2,550
21						2,550
22						2,117
23						2,304
24						1,345
25 w/Balcony						1,764
26						900
27						484
28						256
29						100
						148,735

RENTABLE

Retail

Office

Storage

Common Area

Total

1000

1000

1000

1000

1000

1000

1000

1000

1000

1000

1000

1000

IN SQUARE FEET

FLAT NO.	GROSS AREA	REDUCTIONS FROM GROSS	RENTABLE AREA INCLUDING ATTACHMENT AREA	KITCHEN	ATTIC / MECHANICAL / UNOCCUPIED
10	30	7			23
24	177	32			145
28	400	32			368
27	751	51			700
26	1106	74			1032 (no windows)
25	1120	109	1011		1919
24	2070	151			1435
23	1520	85			
22	1640	98	1542		
21	2025	365			1660
20	2333	248	2085		2729
19	3317	588			
18	3218	509	2709		
17	3218	543	2675		
16	3218	543	2675		
15	4081	1117	2964		
14	4081	912	3169		
13	4081	1117	2964		
12	4081	919	3162		
11	4081	1102	2979		
10	4081	927	3154		
9	4081	798	3283		
8	4081	798	3283		
7	4081	1184	2897		
6	4081	951	3130		
					+ 286 (exterior balconies)

66453

10/10/10

10/10/10

10/10/10

10/10/10

10/10/10

10/10/10

10/10/10

MECHANICAL/
UNOCCUPIED

FLOOR	GROSS AREA	DEDUCTIONS FROM GROSS	NET AREA INCLUDING ATTRIBUTABLE AREA	NET AREA EXCLUDING ATTRIBUTABLE AREA	MECHANICAL/ UNOCCUPIED
5	4081	1426	2655	-	-
4	4081	953	3128	-	-
DOME FLR	4012	2478	-	1534	1534
3	4042	2621	-	1421	1421
2	8514	2690	4141	1683	1683
1	8514	942	5365	2207	2207
MEET LEVEL	8927	686	4636	3605	3605
TOTAL	109124	25056	63607	17506	17506
BASEMENT/ CHILLER ROOMS	9512	9512	-	-	-

Map Amendment Application No. 252
Boston Redevelopment Authority
Boston Proper: Custom House area
Development Plan
B-10 to B-10-U

MAP AMENDMENT NO. 194

THE COMMONWEALTH OF MASSACHUSETTS

CITY OF BOSTON

IN ZONING COMMISSION

The Zoning Commission of the City of Boston, acting under Chapter 665 of the Acts of 1956 as amended, after due report, notice, and hearing does hereby approve the "Development Plan/U.S. Custom House," dated June 26, 1986, and approved by the Authority July 10, 1986, and amend Map 1 - Boston Proper, of the series of maps entitled "Zoning Districts - City of Boston" as established under Chapter 665 of the Acts of 1956, as amended, as follows:

By adding the suffix "U", indicating urban renewal area overlay district, to the existing B-10 designation of a parcel of land bounded as follows:

SOUTHWESTERLY, by the northeasterly line of the property at 1-9 India Street and an extension of said line to the center line of State Street;

NORTHWESTERLY, by the center line of State Street, as that line is also a boundary of an existing B-8 district;

NORTHEASTERLY, by the southwesterly line of the property at 177-179 State Street/74-76 Central Street and extensions of said line to the center lines of State Street and Central Street;

SOUTHEASTERLY, by an extension of the center line of the segment of Central Street that lies northeast of McKinley Square, to the northeasterly line of the property at 11-21 India Street;

SOUTHWESTERLY, by the northeasterly line of the property at 11-21 India Street and an extension of said line to the property line of 1-9 India Street;

said parcel containing Block 206 of the Downtown Waterfront-Faneuil Hall Urban Renewal Project Area, which block is the site of the United States Custom House.

Date of public notice: July 12, 1986 (see St. 1956, c.665, s.5).

Richard B. Fowler
Chairman

Robert F. Shaw
Vice Chairman

Samuel M. Watson

Robert F. Jordan

Edward D. Apostol

Martha A. Bernard

Ken M. McElrath

John C. U. [unclear]

Joseph W. Joyce

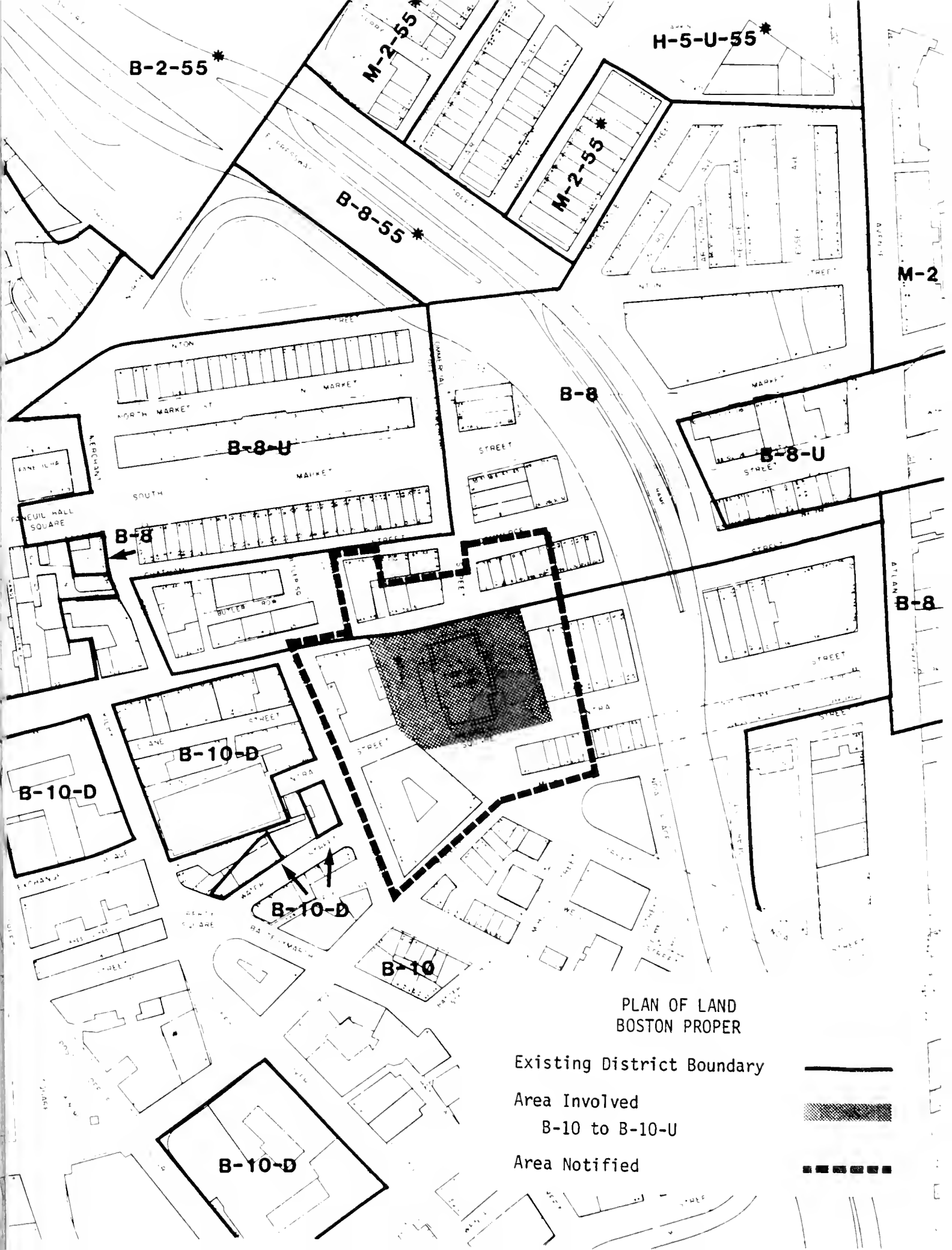
In Zoning Commission

Adopted July 23, 1986

Attest: Marguerite L. DeFrank
Secretary

Mayor, City of Boston

Date: _____



B-2-55 *

M-2-55 *

H-5-U-55 *

M-2-55 *

B-8-55 *

M-2

B-8

B-8-U

B-8-U

B-8

B-8

B-10-D

B-10-D

B-10-D

B-10

B-10-D

PLAN OF LAND
BOSTON PROPER

Existing District Boundary

Area Involved
B-10 to B-10-U

Area Notified



TO: Linda Bourque, Paul McCann, Pam Wessling
FROM: Marguerite Hildebrand
DATE: July 15, 1986
RE: Custom House: U Designation Petition

To expedite getting this petition (advertised last Saturday) into final form for Director's signature, I would appreciate your looking over the attached draft, with reference to the accompanying workmap, and giving me your corrections, questions, etc., or approval, as soon as possible. I want to have it final and correct by the end of Wednesday, as people may request it any time.

Please note that the mapping and write-up are a little complicated by shifting street lines, odd angles, nonparallel sides of Square, etc. I assumed we would want northwesterly line of U district to follow existing B-3/B-10 boundary along center line of State Street.

Paul, please let me know who in Legal should O.K. the signature "clearance" form, or whether anyone else should look at draft.

I will have Mapping do a proper standard map to go with petition and amendment.

Attachments

Cc: Edith Netter





ATTACHMENT C

Property

--- U DISTRICT BOUNDARY

DATE: JULY 7, 1984

SCALE: 1" = 80'

Downtown Waterfront —
Faneuil Hall
Urban Renewal Area
Massachusetts R-77

BOSTON REDEVELOPMENT AUTHORITY

BOSTON PUBLIC LIBRARY



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